



Daily Report

East Asia

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Japan

Steel Industry Hails U.S. Rejection of Charge

OW1106094992 Tokyo KYODO in English 0925 GMT
11 Jun 92

[Text] Tokyo, June 11 KYODO—Japan's steel industry welcomed Thursday a U.S. Government decision to reject an antidumping petition filed by two U.S. steelmakers over imported railroad rails.

The U.S. International Trade Commission (ITC) voted four to two to dismiss the petition, filed May 1 by Bethlehem Steel Corp. along with CF and I Steel Corp. The U.S. Companies had filed suit against Nippon Steel Corp., NKK Corp., and one European firm.

Japanese industry officials said they expect the latest case to work in their favor as U.S. steelmakers consider leveling another antidumping lawsuit over foreign steel sheets and three other steel products.

"I suppose (U.S. steel companies) would become cautious about assessing damages caused by foreign imports," said Yuichi Saito, managing director of NKK.

Six U.S. steel companies earlier announced that they were preparing to file trade claims with the ITC against foreign steel makers over imports of sheet, galvanized, and plate steel. The move could affect roughly half of the steel that the U.S. imports from Japan.

"We hope they (U.S. steel companies) will review their strategy against imports in the wake of the latest ruling," one industry official said.

Nippon Steel's Sasaki Comments

OW1106053992 Tokyo KYODO in English 0504 GMT
11 Jun 92

[Text] Tokyo, June 11 KYODO—Nippon Steel Corp. and NKK Corp. on Thursday welcomed a U.S. Government body's rejection of a dumping allegation against them.

Yoshiro Sasaki, vice president of Nippon Steel, said the rejection of the allegation that they were selling railroad rails in the U.S. market below fair prices "demonstrated that we have done no harm to the U.S. steel industry."

The U.S. International Trade Commission (ITC) on Wednesday [words indistinct] in which Bethlehem Steel Corp. and CF and I Steel Corp. complained that Nippon Steel, NKK, and two European companies dumped rails in the U.S. market at prices up to 80 percent below what they charge their domestic customers.

Rejecting the claim by the two U.S. makers that the alleged dumping damaged their business, the commission said rail imports from Japan are of a premium type and are not in competition with those made by U.S. domestic producers.

As their exports of railroad rails to the U.S. are comparatively small, reaching 80,000 tons in fiscal 1990, the two Japanese companies, the only producers of the product in Japan, have repeatedly argued they have hardly hurt their U.S. rivals.

The two major Japanese steelmakers have also noted that their rails had been supplied to only four U.S. railroad companies.

NKK's vice president, Osamu Sawaragi, commenting on the U.S. industry's recent criticism of its Japanese competitors, said, "I hope the U.S. industry will accept the ruling seriously and review its attitude about steel trade."

Osaka To Resume Talks With Maritime Territory

OW1106031492 Tokyo KYODO in English 0218 GMT
11 Jun 92

[Text] Osaka, June 11 KYODO—The Osaka prefectural government has decided to resume negotiations aimed at forging friendly relations with the Russian Maritime Territory in the former Soviet Far East, officials said Thursday.

The two local governments held the first round of the working-level talks on the friendly ties in Osaka in April last year.

The negotiations, however, were suspended due to administrative confusions in the maritime territory, which includes Vladivostok, after the abortive coup attempt by hard-liners in the former Soviet Union last August, according to the officials.

V.P. Tumanov, deputy director of the International Trade Affairs Department of the Maritime Territory, visited the Osaka prefectural government in March and asked that the negotiations be resumed.

The second round of the talks are likely to be held in Vladivostok next month at the earliest, the officials said.

The Maritime Territory, with a population of 2.2 million, is located in the southeastern part of the Russian Far East.

Russian Uniformed Officers To Attend Meeting

OW1106135392 Tokyo KYODO in English 1314 GMT
11 Jun 92

[Text] Tokyo, June 11 KYODO—Japanese and Russian officials handling diplomatic and defense policies will hold the first bilateral policy planning meeting in Moscow on June 15-16, Japanese officials said Thursday.

The meeting, to discuss the situation in the far eastern Asian region, will be the first between the two nations attended by uniformed military officers. Even when

Japan met the former Soviet Union, of which Russia was part, no uniformed officers attended. [sentence as received]

The two nations agreed to hold the meeting when Foreign Minister Michio Watanabe met his counterpart Andrey Kozyrev in Moscow last month.

Japan and the former Soviet Union held a similar policy planning meeting in December 1990 but only Foreign Ministry officials participated, the officials said.

Katsunari Suzuki, the Foreign Ministry's director general of the Information, Analysis, Research and Planning Bureau, will lead the Japanese delegation. Other members include Masahiro Akiyama, a defense agency official, and a general at the Self-Defense Forces' Joint Staff Council.

Officials of the Russian Foreign Ministry, Defense Ministry and General Staff Office are expected to attend.

Japan hopes to promote mutual trust and to smooth negotiations over four disputed northern islands during the talks to discuss security conditions following the end of the cold war.

Japan is likely to verify Russia's earlier decision to withdraw its troops from the disputed islands off Hokkaido, political sources said.

Russian President Boris Yeltsin told Watanabe last month that all troops except for border guards are to be withdrawn from the islands, which the former Soviet Union seized from Japan at the end of World War II.

Reappointment of Anan as Thai Premier Welcomed

OW1106061392 Tokyo KYODO in English 0602 GMT 11 Jun 92

[Text] Tokyo, June 11 KYODO—Japan welcomed Thursday the reappointment of Anan Panyarachun as Thailand's interim prime minister, but expressed hope that an elected parliamentarian would eventually fill the post.

Foreign ministry officials said they were somewhat surprised that the unelected Anan was named premier Wednesday, the day the Thai parliament amended the Constitution to require that the prime minister be an elected member of parliament.

But Japan is pleased at Anan's announcement that he would dissolve parliament in two or three weeks and hold elections 90 days after that, the officials said, calling him a neutral, four-month "relief pitcher" with a record of capable administration.

Anan, a widely respected businessman and former diplomat, was named interim prime minister after the February 1991 coup, holding the post for 13 months until March's general parliamentary elections.

King Phumiphon Adunyadet's surprise selection Wednesday of Anan rather than a pro-military or opposition politician, should avert a repeat of last month's mass pro-democracy protests and the bloody military crackdown of them, as Anan is apparently acceptable to both sides, the Japanese officials said.

The Bangkok government says 48 people died in the violence, but a newspaper said nearly 1,000 died in the suppression of the demonstrations calling for an elected premier and other reforms.

At the time, Japan expressed support for protesters' demands that the Constitution be revised to weaken the military's hold on government.

Japan is considering how to conduct relations with the new, short-term Thai Government, officials said.

For example, they said Japan is unsure whether Thai proposals on bilateral ties that Anan gave Prime Minister Kiichi Miyazawa when he visited Tokyo in December will change under Anan's successor.

Thailand's foreign minister is to attend a June 22 Tokyo conference on rehabilitation and reconstruction of Cambodia. A replacement has not been announced for Pongphong, the Suchinda-appointed foreign minister.

Trade Surplus Soars 88.9 Percent From Year Ago

OW1106072692 Tokyo KYODO in English 0647 GMT 11 Jun 92

[Text] Tokyo, June 11 KYODO—Japan's trade surplus soared 88.9 percent in May from a year earlier to 7,865 million dollars, the Finance Ministry said Thursday.

Exports rose 4.1 percent to 25,463 million dollars, while imports fell 13.3 percent to 17,598 million dollars, the ministry said.

Japan registered a 2,916 million dollar trade surplus with the United States, up a hefty 51.0 percent from May 1991.

MITI Urges More Regional Cooperation in Asia

OW1106082092 Tokyo KYODO in English 0810 GMT 11 Jun 92

[Text] Tokyo, June 11 KYODO—Regional cooperation is essential to sustainable and stable growth in Asia, said a government report on economic cooperation released Thursday.

The 33rd annual report, compiled by the Ministry of International Trade and Industry (MITI), stressed the need for promoting open regional cooperation among Asian nations, which it said could eventually contribute to the global economy.

The 1992 report, subtitled "Asia's Challenges and Japan's Economic Cooperation," supported the creation

of the ASEAN Free Trade Area (AFTA) as an important way to seek independent development through regional cooperation.

ASEAN, the Association of Southeast Asian Nations, groups Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand.

As long as it is open to the world, the AFTA could expand trade and investment with outside nations, contributing to worldwide economic growth, the report said.

Asia marked a real 5.8 percent growth in gross domestic product (GDP) in 1991, while the global economy posted a 0.3 percent negative GDP growth, according to the report.

In seeking sustainable growth in Asia, the report called for promoting the market economy, building infrastructure, training competent personnel, and promoting direct investment in developing Asian nations.

The report also urged the Newly Industrializing Economies (NIEs), such as Hong Kong and South Korea, and the ASEAN nations to change their dependence on trade with the United States and to expand interregional trade.

To upgrade industrial systems in Asian developing nations, the report stressed the need for improving technology, either through self-development or imports of technique.

The report also called for fostering small- and medium-sized enterprises, which it said could help beef up each nation's industrial base.

Both economic growth and measures to cope with energy and environmental problems are also essential to the developing nations, the report said.

Those nations also must work to help themselves, aided by technology transfers and joint research and development with Japan, it said.

Miyashita: PKO Bill Not for Armed Exercise

*OW1106111192 Tokyo KYODO in English 1105 GMT
11 Jun 92*

[Text] Tokyo, June 11 KYODO—Defense Agency chief Sohei Miyashita said Thursday that the peacekeeping cooperation (PKO) bill passed through a House of Representatives committee hours earlier does not permit the dispatch of troops overseas for armed activities.

"The Self-Defense Forces can be dispatched, but (the bill) is not for an armed delegation to engage in armed activities overseas," the Defense Agency director general told reporters.

Asked about the method of passing the bill through committee, Miyashita said, "One of the rules of democracy is that there is a debate and then the issue is decided by the most votes."

"The three parties (Liberal Democratic, Komeito, and Democratic Socialist parties) followed in a regular manner the orders of the committee chairman (Yoshiro Hayashi)," Miyashita said.

Following two days of discussion by the lower house's special committee, a majority of committee members approved Hayashi's proposal to end deliberation on the bill. Members voted by standing up amid angry protests from opponents.

Meanwhile, Vice Minister of Defense Akira Hiyoshi said that with the passage of the bill the government will begin to prepare for dispatching an investigative delegation to Cambodia.

"The first dispatch will be mainly from the Foreign Ministry with members of the Defense Agency included," Hiyoshi said.

"After that, we of the Defense Agency hope to go with groups from specialist and technological fields," he said.

Miyazawa on Role in Cambodia After Bill Passage

*OW1106060592 Tokyo KYODO in English 0550 GMT
11 Jun 92*

[Text] Tokyo, June 11 KYODO—Prime Minister Kiichi Miyazawa said Thursday Japan wants to fully cooperate with the United Nations Transitional Authority in Cambodia (UNTAC) as soon as a U.N. peacekeeping cooperation bill passes the Diet.

Miyazawa reiterated his determination for early enactment of the bill in a deliberation at the House of Representatives' Special Committee on International Peace and Cooperation.

The prime minister said there are a lot of things to be done for Cambodia's restoration.

The bill would enable Japan to send Self-Defense Forces (SDF) personnel to participate in U.N. peacekeeping operations in Cambodia and other troubled spots for the first time since the SDF was founded.

The UNTAC is deploying 22,000 military and civilian personnel in an effort to rebuild Cambodia following the 13-year civil war that ended last October.

Yasushi Akashi, the Japanese national who heads UNTAC, has repeatedly urged Tokyo to contribute to the peace and reconstruction process there by sending military and civilian personnel.

Sohei Miyashita, director general of the Defense Agency, told the special committee that the agency will send a fact-finding mission to Cambodia as soon as the bill is enacted, to look into possible roles for the SDF in the U.N. peacekeeping operations.

Members of the ruling Liberal Democratic Party (LDP) and two opposition parties, Komeito and the Democratic Socialist Party (DSP), vowed to win passage of the legislation through the special committee later in the day.

Proponents of the bill said the lower house's special committee may vote on the historic legislation Thursday evening despite the opposition camp's threats to physically prevent vote-taking.

The No. 1 opposition party, the Social Democratic Party (SDP), and the Japanese Communist Party (JCP) are planning to try to block the bill by introducing no-confidence motions against the government and cabinet ministers.

Lower House Panel Approves Peacekeeping Bill

OW1106085892 Tokyo KYODO in English 0849 GMT 11 Jun 92

[Text] Tokyo, June 11 KYODO—A House of Representatives special panel Thursday evening approved a bill to send Japanese troops abroad on peacekeeping missions despite protests by opposition legislators.

The bill now goes to the full lower house, where opponents are thought likely to repeat delaying tactics they used in the House of Councillors to try to thwart supporters' efforts to enact the bill by Friday.

The bill would allow the first dispatch of Japanese ground troops since World War II, limiting them to United Nations peacekeeping efforts in such trouble-spots as Cambodia.

The ruling Liberal Democratic Party (LDP) won the support of two centrist parties, Komeito and the Democratic Socialist Party (DSP), in passing the bill through the lower house Special Committee on International Peace and Cooperation, chaired by Yoshiro Hayashi.

The Social Democratic Party (SDP), the largest opposition group, and the Japanese Communist Party (JCP) oppose the bill, saying any dispatch of Japan's Self-Defense Forces (SDF) would violate the country's pacifist postwar Constitution.

They are considering a number of delaying moves, including no-confidence motions against the Miyazawa cabinet and some of its members and a motion to dismiss LDP lawmaker Keisuke Nakanishi, chairman of the lower house's steering committee.

The peacekeeping bill passed the opposition-dominated upper house 137 votes to 102 early Tuesday and went to the more powerful, LDP-controlled lower house.

In the wake of international criticism of Japan's failure to send troops to the U.S.-led multinational alliance in the Persian Gulf war, the government first submitted the bill in September 1991.

It has been debated in three Diet sessions since then, and must return to the lower house since supporters amended it last week to require prior Diet approval to send troops overseas, saying both chambers of the Diet "must make efforts to vote within seven days" on deployments.

The only overseas deployment of Japanese troops since World War II has been an SDF minesweeping task force sent to the Persian Gulf last year.

The bill would allow up to 2,000 troops to go overseas in response to a UN request and engage in such activities as disarming rival factions that have agreed on a truce and monitoring elections and cease-fires.

The bill also includes a ban on SDF participation in operations that might involve military action. To lift the ban, the Diet must pass new legislation.

The Diet must also review the bill three years after its enactment.

The SDP, JCP, and Rengo Sangiin have argued that the bill tramples on the spirit of the Constitution, which renounces the use of force to settle international disputes.

SDP, JCP Urge Dissolving Lower House

OW1106114792 Tokyo KYODO in English 1137 GMT 11 Jun 92

[Text] Tokyo, June 11 KYODO—Japan's largest opposition party, the Social Democratic Party (SDP), called Thursday for the dissolution of the House of Representatives and a general election so voters can have their say about a bill to allow Japanese troops to join UN peacekeeping operations.

The bill cleared a lower house panel earlier in the day despite protests from SDP members.

The third-largest opposition party, the Japanese Communist Party (JCP), echoed the SDP's call for Prime Minister Kiichi Miyazawa to dissolve the 512-seat powerful lower house.

SDP Chairman Makoto Tanabe and JCP Presidium Chairman Tetsuzo Fuwa issued the calls in separate meetings with reporters shortly after the lower house special committee on international peace and cooperation approved the UN peacekeeping cooperation bill. The bill now goes to the full house for a vote.

Miyazawa, however, has said there is no need to dissolve the lower chamber for a general election.

The SDP also proposed that Miyazawa and Tanabe meet immediately to discuss the handling of the peacekeeping operations bill but Miyazawa spurned the request, officials said.

"I will demand to Prime Minister Miyazawa that he dissolve the lower house to ask eligible Japanese voters about whether to approve the bill," Tanabe said.

Tanabe said his meeting with Miyazawa should be as soon as possible, adding he will ask the prime minister about how he will settle the confrontation at the Diet over the bill.

Tanabe said the vote at the lower house special committee is invalid because the LDP, Komeito and the Democratic Socialist Party (DSP) forced a vote on the bill without the consent of his party.

He said the decision to vote was not made in the steering committee but in a meeting of the secretaries general of the three parties.

The SDP leader said, "Parliamentary democracy is dead."

Tanabe suggested SDP members will use go-slow voting tactics in the plenary session of the lower house expected Friday to slow passage of the bill.

Fuwa told reporters the JCP will adopt the same tactic as the SDP when the plenary session of the lower house votes on the bill.

The slow walk voting tactic is a bizarre form of filibuster in which each SDP and JCP lawmaker takes more than 10 minutes to walk to the ballot box to cast their votes.

Fuwa said the Japanese and Asian people are watching a lack of deliberations in the Diet with anger, unease and anxiety.

Auto Output Falls 2.7 Percent Below Year Ago

OW2505080592 Tokyo KYODO in English 0640 GMT 25 May 92

[Text] Tokyo, May 25 KYODO—Japan's motor vehicle production in April decreased from a year earlier because of sluggish domestic demand, extending year-on-year declines to a fifth straight month, the automobile industry said Monday.

The Japan Automobile Manufacturers' Association said April output totaled 1,030,424 vehicles, down 2.7 percent from the year before.

The association said passenger car output, which accounted for about 75 percent of total production, inched up 0.2 percent from a year earlier to 771,335, recording the second straight month of year-on-year rises.

Production of subcompact cars plunged 11.3 percent to 505,320 but that of automobiles with engine capacity exceeding 2000 cc [cubic centimeters] climbed 49.3 percent to 191,748, the association said.

Production of minivehicles gained 3.9 percent to 74,267, the association said.

Output of trucks fell 10.8 percent to 255,178 while that of buses increased 7.5 percent to 3,911, the association said.

Household Spending Said To Rise From Year Ago

OW2605082792 Tokyo KYODO in English 0804 GMT 26 May 92

[Text] Tokyo, May 26 KYODO—Japan's household spending in March edged up an inflation-adjusted 0.4 percent from a year earlier, led by notable increases in the categories of ceremonial occasions, furniture, and education, the government said Tuesday.

It is the third straight monthly rise in the spending figure, the management and coordination agency said in a preliminary report.

The agency said March household expenditures came to an average 357,441 yen, compared with the year-ago level of 349,491 yen.

Spending by wage-earning families rose an adjusted 1.5 percent to 385,660 yen.

The agency said spending in the miscellaneous category, which includes ceremonial occasions, rose 9.9 percent from a year before, while furniture spending went up 9.4 percent, education spending went up 8.8 percent, and housing spending increased 8.6 percent.

Spending on utilities also rose 5.9 percent, as did entertainment spending, which rose 5.4 percent on the year.

In contrast, spending on clothing declined by 11.7 percent on the year, the steepest fall since December 1986. The sharp fall was attributed mainly to households shifting to buying lower-priced clothing from buying high-priced ones, the agency said.

Spending on food also fell 1.4 percent, with spending on restaurant dining dropping 3.2 percent.

In terms of services and goods, spending in the goods category declined an adjusted 1.8 percent from the year before while service-category spending rose 6.6 percent.

With the March figures, the agency said general household spending in Japan throughout fiscal 1991 which ended March 31 came to an average 330,691 yen per month, up 2.1 percent in real terms from the previous year.

The rise appears firm compared with the less than 1 percent annual rises registered in both 1989 and 1990, it said.

Spending by wage-earning families in fiscal 1991 averaged 552,949 yen per month, up a real 1.9 percent from the year before, the agency added.

Commerce Chamber Urges Big Supplementary Budget
OW1106100792 Tokyo KYODO in English 0940 GMT
11 Jun 92

[Text] Tokyo, June 11 KYODO—The Tokyo Chamber of Commerce and Industry urged the government Thursday to prepare a large supplementary budget for this fiscal year as a means of boosting the faltering economy.

In a report released Thursday, the chamber said small and medium-size companies are hard hit by the current economic slowdown and the situation requires the large budget and other stimulative measures.

Among other measures suggested, the chamber pointed to cuts in corporate and income taxes to help rev up economic activity.

On other topics, the chamber's report acknowledged the need for shorter working hours, but urged the government not to introduce mandatory legislation to shorten working time because it would be more difficult for smaller businesses to reduce employee working hours than it would be for larger companies.

Budget Ceiling To Be Raised for Quality of Life
OW1106142992 Tokyo KYODO in English 1311 GMT
11 Jun 92

[Text] Tokyo, June 11 KYODO—The Finance Ministry decided Thursday to increase the ceiling on government ministries' fiscal 1993 budgetary requests for improving the quality of life by 50 billion yen to 250 billion yen, ministry officials said.

The appropriations would be set aside in a special account separate from investment-related expenditure under the budget for the year that starts next April 1.

The officials said the higher ceiling is intended to meet growing calls at home and abroad for Japanese policies to stimulate domestic demand.

They noted Japan promised to increase its public works spending at recent structural impediments initiative talks with the United States.

The higher ceiling, combined with a continuation of the 200 billion yen extraordinary measures for expanding public works spending in fiscal 1993, would secure a 5 percent real-term increase in investment-related expenditure, the officials said.

The ministry also plans to create a 110 billion yen special account, separate from government operating expenditure, for improving the quality of life and promoting academic research, the officials said.

Thus general-account expenditures—the general-account budget minus expenses for government bond issues and grants to local governments—are expected to exceed 40 trillion yen for the first time, they said.

The ministry will stick to its policy of the past several years to cut government operating expenditure by 10 percent from the previous year and keep investment-related expenditures unchanged, both in nominal terms, the officials said.

Progress Reported in Front-Loading Public Works
OW1106042592 Tokyo KYODO in English 0352 GMT
11 Jun 92

[Text] Tokyo, June 11 KYODO—The front-loading of public works spending for fiscal 1992 is being implemented smoothly, with more than one-third of the total outlays already under contract, the Ministry of Finance (MOF) said Thursday.

It told a meeting of government officials called to assess progress in implementation of the public works program that contract amounts in April reached 5.3 trillion yen, or 35.3 percent of the total outlay for public works in fiscal 1992.

The government plans to spend 75 percent of the fiscal 1992 budget for public works in the first half of the year, which began on April 1, as part of a fiscal stimulus package.

MOF officials said the 35.3 percent contract ratio at the end of April was the highest in 10 years, during which the ministry conducted front-loading four times.

"The early implementation (of the public works program) is going smoothly," a ministry official said.

The comparative figure for public works to be implemented by local governments was 22.5 percent, according to the Ministry of Home Affairs.

Noda Negative on Cuts for Corporate Investment
OW1106061592 Tokyo KYODO in English 0522 GMT
11 Jun 92

[Text] Tokyo, June 11 KYODO—Japan's Economic Planning Agency (EPA) chief responded negatively Thursday to calls for tax cuts for some corporate investment projects.

In a meeting with EPA officials, the Japan Foreign Trade Council urged Takeshi Noda, director general of the agency, to support the tax cut idea and called for a large-scale supplementary budget to further rev up the domestic economy.

Noda remained negative on the tax cut issue, saying that such a cut "may not be effective when introduced in the middle of a fiscal year."

The tax reduction, proposed by the council and other business organizations, is aimed primarily at helping smaller companies hard hit by the economic slowdown. They are calling on the government to cut corporate tax rates for spending on energy- and labor-saving plans.

As for a supplementary budget, Noda said he wants to wait and evaluate the situation for a little longer.

He said that the number of public works projects in the second half of the current fiscal year will not be enough to stimulate the economy, because of the front-loading of such projects in the first half of the year.

"There would also be a time lag until we see certain impacts on the economy of the front-loaded public investment. But I would like to monitor (the economic situation) for a while," Noda said.

Think Tank Predicts 13% Profit Drop for Firms

*OW1106094892 Tokyo KYODO in English 0921 GMT
11 Jun 92*

[Text] Tokyo, June 11 KYODO—Japanese companies closing their books next March 31 will post an average 13.0 percent drop in pretax profit for the third consecutive annual decline, a private think tank predicted Thursday.

The Daiwa Research Institute, affiliated with Daiwa Securities Co., also forecast that the companies will register a 0.4 percent average sales increase for the period from a year earlier.

Daiwa blamed the expected profit decrease on increased fixed costs, including depreciation allowances, for the companies.

It also forecast corporate performance would likely start a mild recovery in the second half of the year, following continued inventory reduction in the basic materials, semiconductor, and other industries.

Manufacturers will post a 17.8 percent fall in pretax profit for the year due to lower sales prices and poor performance in their financial operations, Daiwa predicted.

Nonmanufacturers were forecast to post a 5.1 percent drop in pretax profit because of slumping demand for their services.

The forecast was based on a survey of 540 companies listed on the Tokyo Stock Exchange's First Section, excluding financial institutions.

Agricultural Body's Securities Holdings Drop

*OW2305093392 Tokyo KYODO in English 0915 GMT
23 May 92*

[Text] Tokyo, May 23 KYODO—A nationwide agricultural cooperative body has apparently lost a considerable sum in securities investment due to the ongoing slump in the Japanese stock market, a document of the Agriculture, Forestry and Fisheries Ministry showed Saturday.

The document said the outstanding value of stocks and bonds which the National Association of Prefectural

Credit Federations of Agricultural Cooperatives (Shinren) holds totaled 11.1 trillion yen as of the end of March, down 8.3 percent or about 1 trillion yen from a year earlier.

While Japanese stock prices were declining, the organization liquidated some of those securities at a loss. The value of securities it still holds has also fallen considerably, sources at the organization said.

This decline makes a sharp contrast with the fact that its entire funds, including savings, increased 10.8 percent from the year before to 46 trillion yen as of the end of March.

Among prefectural chapters of Shinren, the one in Saitama Prefecture anticipated a deficit of about 20 billion yen for fiscal 1992 starting in April.

Many other prefectural chapters are also under pressure from bad credits in real estate-related investment, the sources said.

Group Seeks Increase in Producer Price of Rice

*OW1106103492 Tokyo KYODO in English 1019 GMT
11 Jun 92*

[Text] Tokyo, June 11 KYODO—A leading Japanese agricultural organization called Thursday for the government to raise the price it will pay growers for the 1992 crop of rice.

The Central Union of Agricultural Cooperatives (Zenchu) demanded an increase in the rice producer price for the first time in seven years, union officials said. The union did not, however, specify a margin for the increase, they said.

The demand was made in a paper delivered by Mitsugu Horiuchi, head of the union, to Agriculture, Forestry, and Fisheries Minister Masami Tanabu.

The officials said the union-estimated cost of rice production, which stands at 17,624 per 60 kilograms, exceeds the current basic producer price of 16,189 yen. The low price has discouraged rice production, the officials said.

The union made the demand amid reports that the government is moving to cut the producer price of rice in the face of hot disputes at the Uruguay Round of multilateral trade talks over the opening of Japan's rice market.

Political analysts said they expect some lawmakers of the ruling Liberal Democratic Party to strongly oppose a cut in the price since there is a House of Councillors election scheduled for this summer.

There is growing speculation that under the circumstances, the government will keep the price unchanged, the analysts said.

Panel Suggests Regional Power Plants Aid Areas*OW1106093692 Tokyo KYODO in English 0916 GMT
11 Jun 92*

[Text] Tokyo, June 11 KYODO—A government advisory panel proposed Thursday that regional power plants take steps to help develop their areas.

The advisory panel to the International Trade and Industry minister said in a report that electric utilities must seek public support for the building of new plants and cooperate with concerned government offices and agencies.

Power companies could use steam and other resources from the plants to improve regional industry and living circumstances, for example pumping steam into greenhouses, the report says.

The report, worked out through 14 rounds of study since February last year, also calls for greater cross-regional supply of electricity by power companies.

To improve flexibility in electricity supplies, the report proposes that power cables have reserve capacity of 1.5 million to two million kilowatts by 2010, as occasions demand.

It advocates promoting the development and introduction of dispersed power sources through further relaxation of regulations and calls for prompt study on an electricity pricing system to reflect costs more precisely.

The report supports the steady promotion of heat-storing electrical appliances.

Endangered Species Protection Bill Enacted*OW2905051392 Tokyo KYODO in English 0449 GMT
29 May 92*

[Text] Tokyo, May 29 KYODO—A bill to preserve endangered species of wild flora and fauna became a law Friday after the House of Councillors unanimously passed the measure. In addition to protecting birds and animals, the new law will be the first in Japan to extend protection to insects, fresh-water fish, amphibious species, and flowering plants. It will also place a general ban on the capture, harvesting, sale, import, or export of such species.

The new law, effective April 1, 1993, will allow for the designation of certain marshlands, rivers, and forests as "habitat protection areas" and bans human entry or development in those areas. Offenders would receive a maximum one-year jail sentence or a fine of up to 1 million yen.

The Environment Agency is preparing an endangered species list that will include about 20 types of insects, mammals, and plants as well as 43 varieties of birds over the next five years. Animals on the list include the Iriomote wildcat found on Iriomote Island in Okinawa Prefecture and Blakiston's fish owl.

Until now, Japan's laws on international trade in endangered wildlife species have come under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).

Tokyo To Offer Part of Whaling Profit as Aid*OW0506125392 Tokyo KYODO in English 1233 GMT
05 Jun 92*

[Text] Tokyo, June 5 KYODO—Japan will propose to offer part of the profit derived from Antarctic commercial whaling for food aid to developing countries if such whaling is resumed, fisheries agency officials said Friday.

The plan will be unveiled by the Japanese delegation at an annual meeting of the International Whaling Commission (IWC), due to open late June in Britain, in hopes of obtaining the understanding of other members for Japan's plan to restart commercial whaling, the officials said.

The coming IWC meeting is to focus on a French proposal for a wholesale ban on whaling, both commercial and for research, in waters south of 40 degrees S. latitude.

Japan hopes that its plan will assuage IWC member countries opposed to the resumption of commercial whaling, the officials said.

Japan has asked France to withdraw its proposal and called on other countries to oppose the French proposal, they said.

Experts Discuss Afforestation Via Satellite*OW0106071992 Tokyo KYODO in English 0642 GMT
1 Jun 92*

[Text] Tottori, June 1 (KYODO)—Japanese and American experts discussed efforts to plant forests in deserts Monday using a satellite relay broadcast linking the two countries.

The International Symposium on Afforestation of Deserts and the Global Environment was held via a satellite broadcast which connected the University of Tottori and two locations in California and Florida.

Eight experts from Japan and the U.S. discussed desertification of the earth and sought ways of cooperating with each other in their research.

James Taranik, head of the Desert Research Center at the University of Nevada, delivered a keynote speech in the morning.

'World's Most Powerful' Fuel Cell Developed

OW2605020092 Tokyo KYODO in English 0130 GMT
26 May 92

[Text] Oita, May 26 KYODO—A group of researchers at Oita University has developed the world's most powerful fuel cell, the head of the research team said Tuesday.

The fuel cell, based on electrolyte-plating technology that makes it possible to produce an ultrathin film separating two electrodes, can generate 1.9 watts of electricity per square centimeter, more than any other known fuel cell, said Prof. Yusaku Takita.

Making a thinner electrolyte film helps make a fuel cell more powerful, as the thinner the film, the more electricity is generated.

Fuel cells convert the energy of fuels directly into electricity through a chemical reaction, and are generally more efficient than other forms of electricity generation, as well as producing less emissions that contribute to smog and global warming.

The fuel cell developed by the Oita researchers consists of two electrodes separated by a five-micron electrolyte film through which oxygen and hydrogen react to release electricity, according to Takita.

With previously available technology, the thinnest such film was 50 microns and the output of electricity was limited to 1.54 watts per square centimeter. One micron equals one-millionth of a meter.

"Compared with previous technology, it (the new technology) makes it easier to make an ultrathin film. Making a larger film is the next target" for commercial application, Takita said.

Images Successfully Transmitted on Optical Fiber

OW0406134892 Tokyo KYODO in English 1320 GMT
04 Jun 92

[Text] Tokyo, June 4 KYODO—Nippon Telegraph and Telephone Corp. (NTT) said Thursday it has succeeded in experiments to transmit optical image patterns on optical fibers without converting them into electronic signals.

In the basic experiments, NTT developed devices for correcting image distortion caused by transmission on optical fibers, company officials said.

They said the new technology, which facilitates mass transmission of two-dimensional data, will be applied to a new generation of telephone exchange equipment as well as computers.

The existing technology breaks an image into pixels and converts them into electronic signals for transmission.

The officials said the new technology is expected to contribute to the development of an all-optical telecommunications network based on optical fibers and optical exchange equipment.

NTT is developing optical telephone equipment capable of processing optical signals for the future age of image-based telecommunications services, the officials said.

Robot Developed To Inspect Submarine Cables

OW1106102592 Tokyo KYODO in English 0947 GMT
11 Jun 92

[Text] Tokyo, June 11 KYODO—Kokusai Denshin Denwa Co. (KDD), Japan's international communications giant, announced Thursday it has developed a submarine robot capable of inspecting optical fiber cables at depths of 1,000 meters.

Company officials said the robot, dubbed Aqua Explorer 1000, is planned to be put into practical use next year, and they hope it will be used to research sea bottom resources as well as inspect pipelines.

The robot, 2.3 meters long, 2.8 meters wide, and 0.6 meter high, is capable of moving at two knots with automatic controls. It can operate for four hours without interruption.

The officials said the cable-free unit is the first autonomous submarine robot in the world.

North Korea

ROK-U.S. Security Meeting Seen as 'Conspiracy'

SK1106051092 Pyongyang KCNA in English
0414 GMT 11 Jun 92

["South Korea-U.S. Conspiracy To Violate Joint Declaration on Denuclearization"—KCNA headline]

[Text] Pyongyang June 11 (KCNA)—The South Korea-U.S. "annual security policy examination subcommittee meeting" held in Honolulu, Hawaii on June 9 allegedly urged that the resumption of "Team Spirit" joint military exercises should be examined unless "South-North mutual nuclear inspection" is made, a Seoul-based radio reported.

This tells that the South Korean authorities and the U.S. bellicose quarters are more undisguisedly conspiring with each other in their criminal attempt to avoid a total inspection of the U.S. nuclear weapons and bases in South Korea and violate the "Joint Declaration on the Denuclearization of the Korean Peninsula."

While trying to avoid the total inspection of the U.S. nuclear weapons and bases in South Korea, they are now getting all the more nervous, talking about "mutual inspection" based on "inspection of the same number" and "special inspection" which are not mentioned in the North-South agreement. They seek in this no other aim

than to disparage the results of the inspection of the DPRK by the International Atomic Energy Agency (IAEA) at any cost and thereby find an excuse in advance to conceal the existence of the U.S. nuclear weapons and bases in South Korea and, furthermore, to lay a new hurdle in the way of improvement of DPRK-Japan and DPRK-U.S. relations. Through such racket they also seek to divert elsewhere the attention of the South Korean people who are very discontent with anti-national elements and thereby to create favorable conditions for the "Democratic Liberal Party" to stay in power in the coming "presidential elections."

U.S. Criticized for Planned RIMPAC Exercise

SK1106051892 Pyongyang KCNA in English
0427 GMT 11 Jun 92

["War Maneuvers To Disturb Asia-Pacific Region"—KCNA headline]

[Text] Pyongyang June 11 (KCNA)—The U.S. Defence Department officially announced on June 9 that the "RIMPAC 92" joint military exercise would be staged in the Pacific from June 19 to August 2 with the participation of the United States, South Korea, Japan, Canada and Australia, according to a report from Washington.

It was reported that 45 warships, 200 planes and 20,000 military personnel would be mobilized.

The fact shows that the United States is trying to contain the people in the Asia-Pacific with strength while rushing headlong to increase tension even now when the cold war is said to have ended.

What merits serious attention is that United States is continuing to draw Japan and even South Korea into the "RIMPAC" joint military exercises.

PRC's Yang Baibing Departs Pyongyang

SK1106104692 Pyongyang KCNA in English
1029 GMT 11 Jun 92

[Text] Pyongyang June 11 (KCNA)—Yang Baibing, member of the secretariat of the Central Committee of the Communist Party of China, secretary general of the Central Military Commission of the party and director of the General Political Department of the Chinese People's Liberation Army, and his entourage left for home today after visiting Korea.

They were seen off at Pyongyang Railway Station by O Chin-u, member of the presidium of the Political Bureau of the Central Committee of the Workers' Party of Korea, member of the Central Military Commission of the party, minister of People's Armed Forces and director of the General Political Department of the Korean People's Army; generals Yi Pong-won and Cho Myong-nok, Admiral Kim Il-chol, General Chon Chae-son and other generals and officers of the Korean People's Army.

Chinese ambassador to Korea Zheng Yi, his embassy officials and members of the delegation of the Chinese People's Volunteers to the Korean-Chinese side of the Military Armistice Commission came out to the railway station.

A farewell function took place for Secretary General Yang Baibing at the railway station.

The crowd sent off the goodwill envoy of the Chinese People's Liberation Army, class brothers who have struggled shoulder to shoulder against imperialism and for a victory of the socialist cause.

North, South Students Meet in Berlin 20-22 May

SK0906045192 Pyongyang KCNA in English
0410 GMT 9 Jun 92

[Text] Pyongyang June 9 (KCNA)—The first working-level talks between delegates of youth and students in the north and south of Korea and abroad for the second grand reunification festival of youth and students in the North, South and abroad for independence, peace, reunification and great national unity of the country and for the formation of the Pan-National Alliance of Youth and Students for the Country's Reunification (Pomchonghaknyon) was held in Berlin from May 20 to 22.

The students in the north and the south of Korea and abroad failed to have working-level talks in Pyongyang on April 28 as scheduled due to obstructive moves of the South Korean authorities. But they continued their solidarity struggle and successfully held the first working-level talks in Berlin this time.

The talks was attended by delegates of the Korean students committee, the South Korean National Council of Student Representatives (Chondaehyop) and of youth and students overseas.

At the talks they discussed important questions arising in successfully ensuring the second grand reunification festival of youth and students and the formation of Pomchonghaknyon.

It was decided at the talks to have the second grand reunification festival and the inaugural ceremony of Pomchonghaknyon in Seoul over August 12-17 and hold the festivals under the co-sponsorship of the preparatory committees of the North, South and overseas sides.

They agreed to hold a grand cross-the-country march, a forum, cultural and art and sports functions for the grand reunification festival.

And they agreed to have the second working-level talks in Seoul on July 15.

The delegates manifested their firm determination to fight in concert to decisively smash any obstructive

moves of outside forces and the South Korean authorities and successfully ensure the August 15 grand reunification festival of youth and students and the formation of Pomchonghaknyon.

A joint resolution was made public at the talks.

It noted that they would successfully ensure at any cost the third pan-national rally, the second grand reunification festival of youth and students in the North, South and abroad and the inauguration of Pomchonghaknyon due to be held in Seoul around August 15 and would strengthen solidarity and joint struggle of youth and students in the North, South and abroad to this end.

It called for vigorously waging a nationwide struggle for the faithful implementation of the North-South agreement and joint declaration on denuclearization, a struggle to get the U.S. troops and all nuclear weapons withdrawn from South Korea and a struggle against all military exercises and moves that foment another war.

It stressed the need to fight vigorously for the convocation of a political consultative conference for national reunification to reach a nationwide agreement on the way of reunification.

It added that they would dynamically struggle for the abolition of the "National Security Law" in South Korea and more daringly fight for the release of those who were imprisoned for visiting the North, pro-reunification patriotic democrats and long-term prisoners.

Consumer Goods Production Rates Increasing

SK1106074192 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 2 Jun 92

[Text] On the second anniversary of publishing the dear leader Comrade Kim Chong-il's letter to the participants to the light industry national meeting on 2 June 1990 entitled On the Need to Thoroughly Carry Out the Light Industrial Revolution, party members and working people in Kangwon Province are now innovatively producing the 3 August people's consumer goods.

Hyon Sung-yol, correspondent of the Korean Central Broadcasting Committee, met with Comrade Song Song-kyun, guiding member of the 3 August Department at Kangwon Provincial Administrative and Economic Guidance Committee.

[Begin recording] [Hyon-Sung-yol] You are now marking the second anniversary of the publishing of the dear leader Comrade Kim Chong-il's letter to the participants of the light industry national meeting on 2 June 1990 and you have attained much success during the past period.

[Song Song-kyun] Right. In his letter dated 2 June, 1990, the dear comrade leader, stated that the 3 August people's consumer goods movement is a broad mass movement that enables the working masses to effectively mobilize and utilize everything. The movement also

epochally increases the production of an assortment of consumer goods relying on the popular masses' creativity and presents tasks to increase the production of a variety of high quality consumer goods by vigorously launching the 3 August people's consumer goods production movement.

Our party members and working people in Kangwon Province have staged a vigorous struggle to increase the production of the 3 August people's consumer goods movement, a mass movement, thereby increasing the production of consumer goods by more than 30 percent and the number of items by about (?440) and the volume of goods by (?34) percent over the past period. They did this after being charged with the programmatic tasks that dear comrade leader specified in his letter.

In particular, as a result of vigorous progress in the production of 3 August people's consumer goods since the beginning of the new year, the plan for the first half year has been overfulfilled by 15 percent by the end of May, a month ahead of schedule.

[Hyon] A truly great achievement. Would you please tell me now about cities and countries that have set an example in producing consumer goods?

[Song] Wonsan's production is very good. The municipal Administrative and Economic Guidance functionaries saw to it that the plants and enterprises normalize production of the 3 August consumer goods by organizing political work down to the last detail for consumer goods production and by properly creating consumer goods production bases at the plants and enterprises in the city.

In particular, functionaries in [word indistinct] in Wonsan see to it that the production of 3 August people's consumer goods grow even more by letting the plants and enterprises know what the masses need in a timely manner, while doing a good job in organizing the masses there with a colorful [word indistinct] program.

As a result, the plants and enterprises have overfulfilled the plan by 25 percent for the first half by the end of May.

At the same time, Munchon city, Kosan County, and Tongchon County, Kosong, and Chonnaeri are producing a variety of quality consumer goods by actively searching and mobilizing all the local reserves, including industrial (by-products) and agricultural and fishery products.

Upholding the dear comrade leader's letter, we will see to it that the masses launch the 3 August people's consumer goods movement more vigorously, thereby letting the working people receive more quality consumer goods. [end recording]

Special Article Outlines Party Role, Mission

SK1006022192 Pyongyang Korean Central
Broadcasting Network in Korean 0013 GMT 7 Jun 92

[NODONG SINMUN 7 June special article: "The Basic Mission of the Party of Working Class Is To Responsibly Lead the Popular Masses"]

[Text] Today our party is enjoying the absolute support and trust of the popular masses and leading the revolution and construction along the single road of victory because it is excellently fulfilling its mission as the party which assumed responsibility for the destiny of the people.

From the outset, it is a basic mission of the party of the working class to take full responsibility for and lead the destiny of the popular masses. Dear leader Comrade Kim Chong-il has indicated: The party of the working class emerged from the demand in the revolutionary struggle to pioneer the destiny of the popular masses. The party regards it as its basic mission to lead the destiny of the popular masses in a responsible manner.

The party of the working class is a staff office of the revolution which is leading the struggle to realize the independence of the popular masses. The party's taking responsibility for the destiny of the popular masses means carrying out the struggle by regarding taking care of their lives and pioneering their destiny as its duty.

The party of the working class is a vanguard unit of the popular masses. Therefore, apart from the popular masses, the party can neither exist nor carry out its activities. The destinies of the party and the popular masses are linked as one, and a basic guarantee for strengthening and developing the party and its might lies in pioneering the destiny of the popular masses. Thus, the party regards the destiny of the popular masses as its own destiny, and takes full responsibility not only for the entire course of the struggle for pioneering their destiny but also for the results of this struggle. That the party leads the destiny of popular masses means that it elucidates the road for them to pioneer their destiny and correctly leads the cause for carving out their destiny.

The party of the working class is a guiding political organization which struggles to realize the independence of the popular masses. By showing correct lines and policies to the popular masses and by leading them to thoroughly implement such lines and policies with their own strength, the party makes the popular masses genuine masters of their destiny. Taking responsibility for the destiny of popular masses is closely linked to leading the destiny of the popular masses. Only when the party takes the outlook and position of taking responsibility for the destiny of the popular masses, can it correctly lead the destiny of the popular masses and only when it correctly leads the destiny of the popular masses, can it take full responsibility for the destiny of the popular masses.

Since the party of the working class emerged from the demand of revolutionary struggle to pioneer the destiny of the popular masses, the party regards it as a basic mission to take responsibility for and lead the destiny of the popular masses.

It is an original demand of the popular masses to live and develop as the master of their own destiny. Such an original demand by the popular masses will be realized through the revolutionary struggle.

Man is a social being who regards independence as its life. Therefore, only when he struggles for independence, can he carve out his destiny. The revolutionary struggle to carve out the destiny of the popular masses regards the leadership of the party of the working class as an indispensable demand. The leadership of the party is a decisive guarantee for raising the conscious of and organizing the popular masses, for strengthening the driving force of the revolution and for enhancing its role.

The revolution and construction are a struggle waged by the popular masses themselves after emerging as an independent driving force. Unless the driving force of the revolution is strengthened and its role is enhanced, victory in the revolution cannot be expected.

The party is central to the driving force of the revolution and is a guiding force. Only under the party's leadership, can the popular masses be rallied behind the leader organizationally, ideologically, morally, and with a sense of obligation, and create their destiny in an independent and creative manner.

The party's leadership is a basic condition for advancing the revolution based on correct strategy and tactics. The revolution is difficult and complex and accompanies serious class struggle and should open unexplored roads while creating new things.

The struggle for the independence of the popular masses can victoriously carve out its road with clear direction and means only under precise strategy and tactics.

The strategic and tactical leadership of the revolution and construction can be realized only by the party of the working class which correctly illuminates the future of society and the revolution and which is capable of organizing and mobilizing the masses.

The party of the working class emerged by regarding the policy-oriented [chongchaekjok] strategic and tactical leadership over society and the revolution as its mission. The party is the only political organization capable of achieving such a mission.

Only under the party's leadership, can the popular masses firmly arm themselves with the correct strategy and tactics, and, by depending on them, victoriously advance the revolution and construction.

The relations between the party and the masses in the revolutionary struggle are those of leader and follower, and at the same time, are the relations between those

who share life and between those who control destiny and those who entrust their destiny to another.

Without the party's leadership, the popular masses cannot carve out their destiny, and without the party's struggle and activities to carve out the people's destiny, it cannot be said that the party is fulfilling its mission.

The party of the working class is to struggle by taking it as a basic mission to responsibly lead the fate of the people. Herein lies the characteristic of this party that distinguishes it from various bourgeois political parties.

That the party of the working class regards it as a basic mission to responsibly lead the destiny of the popular masses is related to the social and class foundation of the party and to characteristics of its guiding ideology.

The social and class foundation of the party and its guiding ideology are factors defining the mission of the party. The basic goal for the party struggle is to be defined according to the party's social and class foundation and its guiding ideology.

The party's social and class foundations are the class and circles which depend on the party. The party exists and carries out its activities by taking certain class and social groups as the root of its life.

In order for the party to fulfill its mission, it should take root deep in a broad range of the working masses, including workers, peasants, and working intellectuals, and should struggle to achieve their aspirations and demands.

The working class is a most independent and revolutionary class. The historic mission of the working class is to completely realize the independence of the popular masses and to build the socialist and communist society.

In order to realize its aspirations and desire, the working class should share its destiny with the party. Among the class and circles which depend on the party, the working class plays a key role.

Peasants are the most reliable ally of the working class. They constitute the driving force of the revolution together with the working class.

Peasants can take off the yoke of exploitation and oppression only under the leadership of the working class and of its party, and can emancipate themselves from the restraint of the remnants of an outdated society.

Therefore, peasants totally support and uphold the party of the working class. Intellectuals are a driving force for revolutionary struggle and social development. They constitute a component of the independent driving forces of the revolution. Therefore, intellectuals share the interest with the party of the working class and become a permanent companion of the party.

Among all political parties that have appeared on the stage of history, the party which assumes workers, peasants, and working intellectuals as its social and class foundation is the only party of the working class.

The party of the working class takes root deep in a broad range of the popular masses including workers, peasants, and working intellectuals, and carries out all activities by depending on them. Therefore, this party becomes a revolutionary party which truly represents the independent rights and interests of the popular masses and responsibly leads the destiny of all popular masses.

As the socialist construction advances, the social and class foundation of the party of the working class will be further strengthened. Generally speaking, according to the development of society, the number of those engaged in physical labor is to decrease while the number of those engaged in technological and mental labor and intellectuals increases.

However, this does not necessarily mean that the social and class foundation of the party of the working class is weakened or that a change has taken place in the basic mission of the party. According to a drive in socialist construction, the social and economic situation of all members of society, including intellectuals, is to be reformed into the pattern of the working class. As the result, the political and ideological standard of the popular masses demanding independence will be further enhanced, and according to this, the social and class foundation of the party will be further strengthened.

Therefore, there cannot be any change in the basic mission and revolutionary characteristic of the party which responsibly leads the destiny of the people.

The guiding ideology of the party serves as a starting point and basis for building the party and for the party's activities. The party is to be strengthened and developed with the idea, which the party assumes as its guideline, its sustenance, and struggles to realize the idea.

The guiding ideology of the party is the revolutionary idea of the working class. The demand of the working class is consistent with the demand of all classes and circles which have common interests in social progress and in the revolution.

Only the party, which assumes as its guideline the leader's idea reflecting the demand and interest of the working class, can serve the people and share the popular masses' destiny.

The most correct guiding idea of the party of the working class in our era is the great chuche idea. The chuche idea is a revolutionary idea which was formulated by reflecting the independent aspirations and demands of the popular masses. This idea is a revolutionary theory designed to realize the independence of the popular masses.

The revolutionary party of the working class—a chuche-oriented party—regards the chuche idea as its guideline.

Therefore, the party assumes as a basic mission to responsibly lead the destiny of the popular masses.

In order for the party of the working class to fulfill its basic mission, it should become the mother of the popular masses. That it should become the mother who responsibly leads the destiny of the popular masses is a principle advanced uniquely by our party for its activities.

Our party, which assumes the *chuche* idea as its firm guideline, regards it as a basic mission to responsibly lead the fate of the popular masses. Our party is excellently fulfilling its mission as a motherly party.

Our party has not only brought forward the popular masses as genuine masters of the state and society but has also given a lofty political life to them. Our party is leading the masses to glorify their political life, and is caring for the people's material and cultural life by taking full responsibility.

By bringing the popular masses into the center of its activities, our party made overall party work an organizational and political work designed to make the people enjoy a valuable life and happiness as a social being [*sahoejok ingan*]. Thus, our party became the bosom of a mother whom the people completely entrusted with their destiny.

Through experience in practical life, our people keenly realized that only our party is a motherly party which can responsibly lead their destiny. Our people absolutely trust and follow our party.

The slogan, "What the party decides, we will do!" reflects the firm will and sense of loyalty of the popular masses to fight by dedicating everything to the party and entrusting the party with their destiny. The party sincerely serves the people while the people loyally uphold the party's leadership.

Thanks to great unity and cohesion between the party and the masses, our party is more excellently building socialism of our own style by resolutely smashing all antisocialist maneuvers of the imperialists and their stooges.

South Korea

Blix Reports on May DPRK Nuclear Inspection

North Intent on Current Policies

SK1106073692 Seoul TONG-A ILBO
in Korean 11 Jun 92 p 1

[Correspondent Choe Maeng-ho in Vienna]

[Text] It has been revealed anew that North Korea has already started research on a fast-breeding reactor and composite nuclear fuel, advanced technology for nuclear development, and has made clear its intention to keep in

place its present nuclear policy, including the completion of the nuclear fuel reprocessing facilities in Yongbyon.

The International Atomic Energy Agency [IAEA] officials view North Korea's intention to adhere to such a policy as a clear violation of the declaration on denuclearizing the Korean peninsula adopted between the South and the North and as the cause of grave threats to stability and peace on the Korean peninsula and Northeast Asia.

In an informal briefing given on the afternoon of 10 June at IAEA headquarters in Vienna about his May visit to North Korea and on the results of the IAEA inspection group's nuclear inspection in North Korea, IAEA Director-General Hans Blix said that the nuclear fuel reprocessing facility under construction in North Korea is not an experimental laboratory but a factory and quoted the North Korean side as saying that "without a guarantee for the introduction of advanced technology from abroad and stable supplies of nuclear fuel, we cannot give up our present nuclear policy."

Director-General Blix also said that "the North Korean side had explained that the radiochemical laboratory, which is at issue, is aimed at the completion of the nuclear fuel cycle for the purpose of supplying their own nuclear fuel and that it had already started research on a fast-breeding reactor and composite nuclear fuel."

Commenting on this, an IAEA official said: The highly stable and efficient light-water nuclear reactor needs the enriched uranium and the heavy-water nuclear reactor needs heavy water, which North Korea imports. Given North Korea's present financial situation, it is difficult for North Korea to pay for the imported materials. Therefore, North Korea intends to push ahead with its original plan.

Another official at the IAEA said that if North Korea can import the nuclear fuel from abroad, it hopes to get it from the United States, Japan, and China. He added: North Korea has made it clear that the supplying countries should not attach any political strings to the export of nuclear materials.

Dr. Yi Chang-kon, researcher at the [South] Korean Atomic Energy Research Institute, said on 11 June: According to data gathered by the IAEA in the course of inspecting nuclear facilities in North Korea, North Korea appears to be in possession of a high degree of nuclear technology in view of the fact that it relies on its own nuclear technology in building nuclear reactors and in researching composite nuclear fuel and building a fast-breeding reactor.

South Willing To Share Technology

SK1106091592 Seoul YONHAP in English
0857 GMT 11 Jun 92

[Text] Seoul, June 11 (OANA-YONHAP)—South Korea will pursue nuclear technology cooperation with North Korea if Pyongyang abandons its reprocessing facility

and accepts inter-Korean nuclear inspection, a government official said Thursday.

"The government policy is that Seoul will promote exchanges and cooperation with Pyongyang depending on the progress of inter-Korean relations and nuclear negotiations," Kim Chae-sop, director-general of international organizations at the Foreign Ministry, told a press briefing.

"There is no reason we cannot pursue exchanges and cooperation in nuclear technology," he said.

The comments came after International Atomic Energy Agency (IAEA) Director-General Hans Blix's report to the Board of Governors Wednesday [10 June] on his trip to Pyongyang and results of an ad hoc inspection on North Korean nuclear facilities.

Blix reported that North Korean officials responded favorably to his recommendation that they convert their graphite-moderated reactor to light-water reactor.

Seoul was willing to give Pyongyang its light-water reactor technology if North Korea agreed to convert, Kim said. Almost all of South Korea's nine nuclear reactors are light water.

"The IAEA evaluated Blix's and inspection team's North Korean visit as highly cooperative and positive," Kim told reporters.

"The significance of the ad hoc inspection was that the inspectors actually saw the much-suspected nuclear facilities and gained information about Pyongyang's capability," he said.

A second IAEA team will go to North Korea for a further ad hoc inspection in a few weeks, composed of same members that went for the first inspection.

There is no way of judging, however, whether North Korea had hidden reprocessing installations, and the IAEA would need to further analyze the results of the ad hoc inspections.

But construction of the "radiochemical laboratory," which the IAEA sees as a nuclear reprocessing plant, was halted when the team was in Pyongyang, and the facility was barely equipped, Kim said.

North Korea's breeder reactor was outdated and primitive, and the amount of separated plutonium reported to the IAEA was relatively small, he said.

Groups Protest Japan's Peacekeeping Bill

SK1006141992 Seoul YONHAP in English
0853 GMT 10 Jun 92

[Text] Seoul, June 10 (OANA-YONHAP)—Social organizations in South Korea continued protests against Japan's peacekeeping operations (PKO) bill Wednesday in statements and rallies.

Some 50 dissidents from various civic groups protested outside the Japanese Embassy in downtown Seoul demanding immediate repeal of the PKO bill.

"Japan unveils its ambition to conquer the world not only economically but militarily under the auspices of the United Nations," protesters said in a statement.

Members of the Korea Women United and the Association on Measures for "chongshindae," a euphemism for Korean women forced into sexual slavery for Japanese soldiers during World War II, insisted Japan "immediately give up its attempt to become a military power disguised by U.N. peacekeeping missions."

Protests continued in Seoul after the PKO bill was passed by the upper house of the Japanese Diet Tuesday [9 June] morning. The bill touched off strong reactions among Koreans, who were colonized by Japan for 35 years until the end of World War II.

One of Japan's war atrocities was the chongshindae. It is estimated that between 100,000 and 200,000 Korean women were abducted and forced to work as military prostitutes.

Dozens of labor organizations rallied outside the Japanese Embassy Tuesday morning.

Religious organizations also joined in, including the Central Mission of Chondo-gyo, whose representatives delivered a letter of protest to embassy officials.

The Association of Patriots Family Members issued a statement charging Japan with "putting on a mask of peace" while nurturing domination and aggression.

1993 Defense Spending To Rise 18.1 Percent

SK1106023892 Seoul THE KOREA TIMES
in English 11 Jun 92 p 3

[Text] The Defense Ministry is projecting the defense spending for the fiscal 1993 at an aggregate of 9,931.8 billion won (14.08 billion U.S. dollars), an increase of 18.1 percent from 8,400 billion won this year.

Maj. Gen. Kim Chong-pae, director of the ministry's force improvement planning (FIP), said yesterday that expenditures for operation and management (O&R) would account for 20.6 percent of the hiked amount and spending for buildup of combat capability for 18.2 percent.

The O&R spending covers personnel expenses, military supplies, and repair and maintenance of installations and facilities.

Gen. Kim revealed that the ministry would raise the share of the O&R expenditures in next year's defense budget in its efforts to better the standard of living for servicemen in uniforms.

The current ratio of war-waging capability to operation and management in terms of spending stands conservatively at 30:70, the general added.

He warned against the gradual reduction in the defense outlays, pointing out that Northeast Asian countries including, of course, North Korea continue to ante up the defense budget despite the end of the Cold War era.

North Korea, China and Japan have over the past years kept on hiking their annual defense spendings while South Korea underwent an uninterrupted decrease, Gen. Kim said.

South Korea has experienced a continued decline in its defense expenditures since 1988, he noted, adding that the defense spending accounted for 5.2 percent in 1988.

The figure skidded down further to 4.01 percent in 1991 and 3.7 percent at the current fiscal year, he said.

South Korea's per capita spending for defense stands at 152 dollars on the base of 1990 whereas those of North Korea and Israel run at 220 and 791 dollars respectively, he said, citing the statistics available.

Gen. Kim also disclosed that his ministry had sought to attain the long-term military buildup program strong enough to effectively cope with an armed adventure by North Korea by 1996.

But rising wages and salaries, raw material prices and shrinking defense budget, he added, compelled the ministry to delay the achievement of the buildup project by three to four years.

Navy, Air Force Budgets Increased

*SK1006123292 Seoul YONHAP in English
1216 GMT 10 Jun 92*

[Text] Seoul, June 10 (OANA-YONHAP)—South Korea will distribute larger share of its military budget to air and naval forces for the coming five years, the Defense Ministry announced Wednesday.

The budget until this year was divided evenly into 50 percent for the army and 50 percent for the navy and air force.

The new plan will give 60 percent to the navy and air force and 40 percent to the army.

The Ministry will request 9.93 trillion won (12.62 billion U.S. dollars) for next year's budget, an 18.1 percent increase from this year, officials said.

About 3 trillion won will be spent on bolstering combat capability, 13.2 percent more than this year. Another 6 trillion won will go into manpower and equipment maintenance, a 20.5 percent increase, according to the officials.

The budget distribution is about the same ratio as this year, the officials said.

No Manpower Reductions Planned

*SK1006123092 Seoul YONHAP in English
1139 GMT 10 Jun 92*

[Text] Seoul, June 10 (OANA-YONHAP)—South Korea will not reduce military manpower in any immediate future despite progress in inter-Korean relations, Defense Ministry officials said Wednesday.

"Any manpower reduction must be compensated by equipment modernization and increase in skilled experts, and this would only increase defense budget," a Ministry official told reporters on condition of anonymity.

"Considering such cost factor, the present military organization is the most appropriate," he said, making clear that there will be no manpower adjustment.

The comments came after the Federation of Korean Industries and other organizations called for military budget slash, saying a reduction of 100,000 men would save an annual 107 billion won (135.9 million U.S. dollars).

But such a reduction would only create further defense bill to fill in the manpower vacuum, Ministry officials claimed.

The necessary military reorientation from soldier-based to equipment-based structure would cost 196.5 billion won, they said. To completely overhaul the military system to rely on technology could cost as much as 3 trillion won, they claimed.

South Korea may be able to save 55 million won if it narrowed down the number of superiors but this alternative would worsen the already serious shortage of career soldiers compared to other countries such as Japan and the United States, said the officials said.

"Manpower reduction may be a necessary trend considering the progress in inter-Korean relations, but the current military budget is not unreasonably large compared to other countries," the Ministry official said.

Chong C.Y. Remarks on Communism Causing Uproar

Political Leaders' Reactions Cited

*SK1106015892 Seoul HANGUK ILBO
in Korean 10 Jun 92 p 3*

[Article by reporter Yi Chae-yol]

[Text] Remarks by Unification National Party [UNP] representative Chong Chu-yong on allowing a Communist Party in the ROK is causing repercussions in political circles. The Democratic Liberal Party [DLP] continued to tighten the rein of its offensive and the Democratic Party [DP] maintained its critical attitude; the UNP was at pains to clarify its position.

The DLP criticized representative Chong's remarks as "an anachronistic blunder" and "against the spirit of the Constitution" and analyzed that representative Chong's remarks will considerably damage the UNP's presidential campaign.

DLP secretary general Kim Yong-ku criticized: I cannot understand how a person running for president in a country upholding liberal democracy could have made such remarks.

DLP floor leader Kim Yong-tae noted: Representative Chong may have made the remarks after taking into account the fall of the East European communist parties, but he did not consider the special system of North Korea.

DLP spokesman Pak Hui-tae continued the offensive, saying: Our party will seek to find out the true intent of representative Chong's remarks, to find out whether he lacked an ability to express himself, to understand the present reality, or intended to encourage and praise North Korea.

The DP, viewing representative Chong's remarks as a protrusive whim, seems to be watching for shockwaves in political circles. DP Co-representative Kim Tae-chung also attended the same panel discussion sponsored by the SISA JOURNAL a day after representative Chong. An official at the panel discussion said: In view of the intense atmosphere in which the presidential candidate is pressed to express his views, representative Chong most likely made the remarks in the confusion of the moment. The DP, however, seems to remain alert to the various possibilities surrounding the remark's contents and effects.

Asked to comment on representative Chong's remarks, Co-representative Kim Tae-chung said: His remarks are against the emotions of most people.

Some suspect, however, that representative Chong's remarks were a "calculated mistake aimed at winning support from younger voters."

Representative Chong Chu-yong, apparently embarrassed by the spreading shockwave of his remarks, said: "I meant to say that people should be free to form an association. I never meant to say that we should allow a Communist Party," thus claiming that his true intention was distorted.

Representative Chong, speaking at a regular interview with reporters on 9 June, said: "I have a sounder way of thinking than any other candidate," thus making clear his own ideological inclination. He then asked: "Now that communism has fallen and market economy triumphed, why should I miss the pass?"

Representative Chong said: "My remarks on 8 June emphasized the abolition of the National Security Law and the Law on the Agency for National Security Planning." He then made a counter-offensive against the ruling camp, saying, "DLP Executive Chairman Kim

Yong-sam himself submitted a bill for the abolition of these laws at the National Assembly when he was leading the Reunification Democratic Party. He therefore must share in what we are thinking."

Representative Chong refuted the assertion of those who say his remarks were aimed at winning more votes in the presidential election, saying: "Laws such as the National Security Law are abused politically, causing detrimental effects on people's positive activities. Such laws, therefore, should be abolished. I did not improvise this thought of mine."

War Veterans Protest

SK1006142692 Seoul YONHAP in English
0904 GMT 10 Jun 92

[Text] Seoul, June 10 (YONHAP)—Outraged war veterans and their families protested outside the offices of the Unification National Party (UNP) Wednesday, demanding party founder Chong Chu-yong apologize for remarks about legalizing the Communist Party in South Korea.

"Arrest Chong Chu-yong," chanted protesters from the Korea Disabled Veterans Organization, some in wheelchairs, some in military uniform.

"Disband the UNP," they shouted.

Chong, a businessman-turned-politician, shocked the country when he said Monday [8 June] a Communist Party should be allowed in South Korea. The word communism stirs up memories of North Korea and the fratricidal Korean war (1950-1953) among South Koreans.

Chong, a presidential candidate, tried to water down the controversy, saying he was emphasizing the constitutional right of assembly and the need to repeal the National Security Law.

The prosecution said it was investigating Chong for possible violation of the security law.

Some 150 members of the Korea Freedom League appeared outside UNP headquarters with placards and leaflets.

"Legalizing the Communist Party is a suicidal act threatening the peace and freedom, life and property of 42 million South Koreans," they said.

"If Chong realizes his wrongdoings, he must apologize to the people."

Demonstrations spread to other cities as the veterans rallied outside the UNP office in Taegu and demanded a formal apology.

"We cannot but express outrage at such foolish remarks coming from a political party leader and a presidential candidate," they said.

Some 1,000 veterans are planning to come up to Seoul for a protest outside UNP headquarters.

Justice Minister Considering Action

SK1106074992 Seoul YONHAP in English
0637 GMT 11 Jun 92

[Text] Seoul, June 11 (YONHAP)—Justice Minister Kim Ki-chun said Thursday that proper steps would be taken after an investigation of Unification National Party Executive Chairman Chong Chu-yong's call for legalization of a Communist Party in South Korea.

Information Minister Son Chu-hwan said that Kim had expressed his fear to a Cabinet meeting Thursday that Chong's remarks might endanger national security. Kim was quoted as saying the investigation would initially be focused on examining the truth of the controversial remarks.

On other matters, Son said that reports being given by Cabinet members to ruling Democratic Liberal Party Executive Chairman Kim Yong-sam were a normal part of party-government cooperation.

"The reports will be continued in various forms. As exclusive reports for the executive chairman only, or with party officials attending," Son said.

Opposition parties had criticized Kim for receiving reports from Cabinet ministers, saying it was pre-electioneering. Kim was nominated as the ruling party's presidential candidate in May.

The government will run paid advertisements in the Friday editions of all daily newspapers to explain why the mayoral and gubernatorial elections slated for June should be postponed.

Kim Yong-sam Trying To Solidify Political Base

SK1106094892 Seoul YONHAP in English
0745 GMT 11 Jun 92

[Text] Seoul, June 11 (YONHAP)—Kim Yong-sam, presidential candidate of the ruling Democratic Liberal Party [DLP], plans to solidify his political base across every strata of government supporters in order to win the presidential election in December.

The DLP executive chairman will also try to embrace the former leaders of defunct opposition parties, including Yi Min-u of the New Korea Democratic Party and Yu Chi-song of the Democratic Korea Party, and former assembly speaker Ko Chae-chung. Kim also plans to visit Roman Catholic Primate Stephen Cardinal Kim So-hwan in the near future, his aides say.

In addition, Kim will meet with former prime ministers No Sin-yong, Sin Hyon-hwak, Yi Han-ki and Yi Hyon-chae next week.

Meanwhile, many independent observers say President No Tae-u has visibly stepped up his support for Kim since the executive chairman was elected the party's next standard bearer.

No, who is also president of the DLP, invited adviser Kim Chae-son, former party secretary generals Kim Yun-hwan and Yi Chun-ku, Rep. Yi Cha-on and other senior DLP officials to Chongwadae to thank them for their work for Kim Yong-sam.

And beginning with health and social affairs minister An Pil-chun, the president told his cabinet ministers to brief Kim Yong-sam on the affairs of their ministries in an obvious move to groom the DLP presidential candidate for his possible future job.

Kim was to receive briefings from energy and resources minister Chin Nyom on Thursday and Justice Minister Kim Ki-chun on Friday.

Rivals Say Cabinet Briefings Unfair

SK1106023392 Seoul THE KOREA HERALD
in English 11 Jun 92 p 2

[Text] Kim Yong-sam, the presidential candidate of the ruling Democratic Liberal Party [DLP], started receiving briefings from cabinet ministers on state affairs yesterday, amid accusations from the opposition that this violates the election law.

Health and Social Affairs Minister An Pil-chun briefed Kim on the scandal over the illegal use of methanol in the production of a popular-brand of medication and the ministry's plan to help low-income citizens, a DLP spokesman said.

Similar briefing sessions will follow on a regular basis until the end of this month, the spokesman said. The energy and resources minister is to make a briefing today and the justice minister Saturday.

Choe Chang-yun, Kim's chief of staff, said the briefings are designed to ensure "policy cooperation" between the administration and the ruling party.

Cabinet members will ask Kim for help in parliamentary deliberation of the administration-proposed budget bill for next year, Choe said.

DLP Tightening Discipline To Win Presidency

SK1106024392 Seoul THE KOREA TIMES
in English 11 Jun 92 p 2

[Text] The ruling Democratic Liberal Party [DLP] plans to strengthen party organizations and tighten discipline among party members in a far reaching strategy to win the presidential election slated for late this year.

The party will finalize selecting the members of chief executive council, its top decision-making body, this week. The DLP had originally planned to name the

council members after selecting candidates for the standing committee chairmen positions of the National Assembly.

The party decision was taken on the basis of the judgment that negotiations with the opposition parties on opening the Assembly had bogged down and would show no signs of progress in the immediate future.

The DLP seeks to open the Assembly at an early date, while the opposition Democratic Party and Unification National Party demand that the House open after the DLP accepts the holding of the mayoral and gubernatorial elections this year, as originally set.

The DLP will hold a meeting of secretariat officials of local chapter offices today to discuss ways of injecting fresh air into local organizations and consider a series of steps for publicity of its policy to delay the elections of mayors and local governors until 1995.

Sources said yesterday that the party also plans to extend and fortify the secretarial staff for Kim Yong-sam, the executive chairman and presidential candidate.

They said that the party will appoint 53 chief executive council members around this weekend.

The council members will include multi-term lawmakers and female legislators and senior party members from the Cholla-do provinces and first or second term lawmakers with "political weight."

Rep. Yi Chong-chan was reported not to be on the council member short list. Yi has indicated he is leaving the party to found a new one since he boycotted the DLP presidential nomination race in protest at what he claimed was an "unfair contest" in favor of his sole rival Kim Yong-sam.

Among the first or second term lawmakers reported to be likely to enter the top governing body are former prime minister No Chai-pong, and Reps. Kim Pok-ong, and An Mu-hyok.

The party also plans to conduct a reshuffle of secretariat officials of the central party in an attempt to solidify party membership and discipline which has been "relaxed" in the course of the presidential nomination race, the sources said.

President No Tae-u, concurrently president of the party, will have a meeting with party secretariat officials at Chongwadae today over lunch.

Conflict Over Local Elections Delay New Assembly

SK1106073992 Seoul YONHAP in English
0653 GMT 11 Jun 92

[Text] Seoul, June 11 (YONHAP)—Negotiations among the political parties of South Korea proved to be another series of exercises in futility Thursday when they failed

to narrow differences over the local election issue, which has been blocking the opening of the 14th National Assembly.

The floor leaders of the ruling Democratic Liberal Party [DLP] and two opposition parties convened the third round of negotiations Thursday morning, but broke up following fruitless discussions on the postponement of elections for provincial governors and city mayors.

Floor leaders Kim Yong-tae of the DLP, Yi Chol of the Democratic Party [DP] and Kim Chong-nam of the Unification National Party decided to suspend their talks. They agreed, instead, to enlarge the forum by calling in party secretary generals and policy-makers to join the negotiations next Monday.

As in the past, the ruling party on Thursday insisted on postponing the local elections until the first half of 1995, citing the social and economic burdens on a nation already strapped with two major elections this year.

The opposition parties, especially the main Democratic Party led by Kim Tae-chung, refused to give in to the DLP proposal, claiming that postponement would be a breach of promise to the people as the nation's law requires the local elections to be held within the first half of this year.

The current election law also requires the government to notify the public on the local elections no later than June 12 and the opposition parties argue that failure to do so could constitute grounds for impeachment of the president and cabinet ministers concerned.

The DLP maintains, however, that the deadline of June 30 for the elections is not a legally binding but "a recommendation" that leaves room to maneuver.

The ruling party and the government on their part plan to take out advertising space in the press to explain their reasons for postponing the local elections.

DLP spokesman Pak Hui-tae, meanwhile, accused the Democratic Party of engaging in campaign by publishing a "contradictory and fabricated statement" in newspapers advocating the need to hold the local elections with the presidential election.

"The Democratic Party says in the statement that the country can save 4.2 trillion won if it holds the local elections in December," Pak said. "It is not a mathematical calculation, but pure political demagoguery."

Undaunted, the Democratic Party said it would send all DP representatives to Seoul and nine other major cities to hold outdoor hearings to help whip up public opinion against the postponement of the local elections.

The local election issue has been the main stumbling block in the way of opening the National Assembly, which was officially inaugurated on May 29.

The parliamentary law calls for the opening of the Assembly within 28 days of its official inauguration. The ruling party, taking note of this provision, hinted that it will have to open the assembly by itself if the opposition parties refuse to cooperate.

The DLP wants to open the Assembly before taking up the election and other issues, but the opposition parties refuse to attend the opening session unless the ruling party agrees to hold the local elections this year, possibly with the presidential election scheduled for December.

Following the breakup of the talks among the floor leaders Thursday, DP spokesman Chang Suk-hwa again urged the DLP to hold the local elections with the presidential election in December.

"The Democratic Party will not hesitate to try and impeach President No Tae-u and the pertinent cabinet ministers if the ruling party refuses to accept our appeal," he said.

In another development, No invited mid-level officials of the DLP headquarters and heads of DLP local chapters for lunch at Chongwadae Thursday to thank them for their efforts in the general elections.

No then urged them to work harder behind presidential candidate Kim Yong-sam for his victory in the presidential election in December.

DLP May Open Assembly Unilaterally

*SK1006140792 Seoul YONHAP in English
0823 GMT 10 Jun 92*

[Text] Seoul, June 10 (YONHAP)—The ruling Democratic Liberal Party [DLP] is studying the possibility of unilaterally opening the National Assembly if its negotiations with opposition parties on the matter break down, a party source said Wednesday.

The DLP will convene the opening session of the 14th National Assembly by itself before June 28 since, he said, the parliamentary law specifies that the Assembly should convene its first session within 30 days of its inauguration.

The new National Assembly officially came into being on May 30. Its opening, however, is being delayed over the issue of elections of provincial governors and mayors.

Citing the economic and social burden, the government and the ruling party decided to postpone the elections until 1995 while opposition parties insist on holding them within this year as spelled out in the nation's election law.

The opposition parties—especially the Democratic Party led by Kim Tae-chung—refused to cooperate with the DLP in its efforts to open the National Assembly before it discusses the local elections and other issues.

The DLP source, who declined to be identified by name, said the ruling party hoped to discuss a possible revision of the parliamentary law so that opening of the National Assembly would not be a subject of political negotiations among parties.

He also said his party would discuss the postponement of the local elections during the opening session of the Assembly, indicating the possibility of revising the election law by the ruling party alone, if necessary.

In another development, the DLP said Wednesday it plans to put its Central Executive Council into full operation next week after appointing all 53 members over the weekend.

The DLP had hoped to help elect chairmen of the National Assembly's 17 standing committees before naming the members of the party's Central Executive Council. But it will go ahead with the formation of the Council as the prospects for the opening of the National Assembly are still uncertain, sources said.

In appointing Council members, the party is expected to give priority to representatives who have been in the National Assembly for more than one term, heads of provincial chapters, especially from the Cholla Provinces, and women.

Meanwhile, attention was focused on Yi Chong-chan, a member of the Central Executive Council who fell from grace after he had dropped out of the election for the presidential nomination at the last moment.

A thorn on the side of the ruling party, Yi had been defying the ruling party's main stream since the DLP national convention elected DLP Executive Chairman Kim Yong-sam as presidential candidate. The DLP had been reluctant to make any firm decision on the four-term representative although Yi was threatening to leave the party if his brand of new politics was not accepted by the party.

In addition to Co-Chairmen Kim Chong-pil and Pak Tae-chun, and to three senior party officials, including Secretary General Kim Yong-ku, former Secretary Generals Kim Yun-hwan and Yi Chun-ku and Yi Han-tong, Sim Myong-po, Yi Min-sop, Chong Sun-tok, Sin Sang-u and Kim Chong-ho are prominently mentioned as probable members.

Among first- and second-term representatives who could become Council members are former Prime Minister No Chae-pong, Kim Pok-tong, Kum Chin-ho, Pak Se-chik, Pak Chol-on and Ku Cha-chun.

In this connection, President No Tae-u, who is also president of the party, will invite mid-level officials from the party headquarters and party secretaries of local chapters in provinces and large cities for luncheon at Chongwadae on Thursday [11 June] and a pep talk for victory in the presidential election in December.

Chon Tu-hwan Meets Three DP Assemblymen

SK1006142992 Seoul YONHAP in English
0909 GMT 10 Jun 92

[Text] Seoul, June 10 (YONHAP)—Former President Chon Tu-hwan was reported Wednesday to have met with three former military officers who are now opposition politicians over dinner last Sunday [7 June].

Chon told Reps. Chang Chun-ik, Na Pyong-sun and Im Pok-chin it was "a good thing" for them to join the main opposition Democratic Party [DP], which he said was heading in a "desirable direction toward moderation."

Asked if he intended to take active part in politics, Chon ruled out the possibility but he hinted that he might play a role behind the scenes by saying, "I believe I should help politicians like you."

Chon was senior to the three politicians in the military.

While Chon made no mention of the ruling Democratic Liberal Party's presidential candidate, Kim Yong-sam, he has given the impression that "his perception of DP leader Kim Tae-chung has undergone a substantial change," according to Chon aides who attended the dinner.

Government To Stem Farm, Marine Imports

SK1106024092 Seoul THE KOREA TIMES
in English 11 Jun 92 p 8

[Text] The government will take tougher steps to check the flood of farm and marine imports in order to protect the domestic market.

It will also seek to control imports by having growers of farm and marine products make wider use of the relief system for industrial damages, Agriculture, Forestry and Fisheries Minister Kang Hyon-uk said yesterday.

In his special report made to President No Tae-u at Chongwadae, Kang told the President that farm and marine imports increased from \$5.5 billion in 1989 to \$5.8 billion in 1990 and to \$6.9 billion last year due to indiscriminate importing, although the same type of products are available here. In particular, cheaper Chinese products have been flooding to the domestic market and certain items are being sold as if they were domestic products, he reported.

This is Kang's first briefing on pending agricultural issues since he assumed office two months ago. He said that his ministry will strengthen hygienic and quarantine inspection of imported farm and marine products to ascertain whether they contain heavy metals and farm chemical residue as a means to control imports.

Import duties will be raised on farm and marine products which have an adverse impact on the income of farmers and fishermen and which are not essential, Kang said, adding that duties were raised to up to 100 percent

on bracken, sweetened persimmons, acorn, oak mushrooms and blocks of fermented soybean on May 11.

The ministry also made importers put labels of the country of origin on 85 farm and marine products, starting April 1, to protect both consumers and domestic producers from being duped into thinking foreign products were domestic ones.

Kang said that the government is considering allowing farming and fisheries organizations to own land to develop idle and marginal farmland. Idle farmland increased from 19.3 hectares in 1988 to 40.4 hectares and to 67.6 hectares last year due to a shortage of farm hands.

Marginal and idle farmland will be developed as weekend farms, on-the-spot farm experience, lots for distribution facilities and saplings beds under the initiative of farming organizations, Kang said.

The government will classify farmland into farming-promotion regions and other which are diverted for other purposes as soon as possible to intensify development of farming-promotion regions with various kinds of incentives, Kang revealed.

High-Tech Sector Foreign Currency Loans Increased

SK1006141492 Seoul YONHAP in English
0839 GMT 10 Jun 92

[Text] Seoul, June 10 (YONHAP)—The government has decided to increase foreign currency loans by 1 billion U.S. dollars to 4 billion dollars this year to support facilities investment by high technology-oriented enterprises, Kang Man-su, director-general of the Finance Ministry's International Financial Bureau, said Wednesday.

"The earmarked foreign currency loans for this year have been used up already. The first 200 million dollars of the newly allotted 1 billion dollars will go to companies in urgent need of expanding their facilities in the hi-tech sector this month," Kang said.

Samsung Electronics Co. and Kia Motors Corp. are to use 150 million dollars for production facilities for 16 mega d-ram semiconductors and 50 million dollars for production facilities for a new car, respectively, Kang said.

The final 800 million dollars would go to strategic industries in the second half of the year to make manufacturing businesses more competitive, according to Kang.

By the end of April, 1.2 billion dollars of foreign currency loan were spent, 1.1 billion dollars had been already approved with the letters of credit opened and the destination of another 700 million dollars was decided, he said.

The government had cut down the foreign currency loan amount for this year to 3 billion dollars from 5.5 billion dollars in 1991 to improve the international balance of payments.

The loans to be furnished in the second half will go to the semiconductor, automobile and steel industries, Kang said, adding that the additional loans would be planned in detail after the investment blueprints of companies were delineated.

The government lends its foreign exchange holdings or foreign exchange borrowed by commercial banks to businesses only for facilities investment at low interest over three-eight years.

The government plans to encourage companies with high external credibility to issue yankee bonds instead of continually extending them commercial loans.

The Korea Electric Power Corp., Pohang Iron and Steel Co., Seoul Subway Corp. and Samsung Electronics Co. are planning to issue yankee bonds totaling 800 million dollars.

Pohang Iron and Steel Co. is likely to issue bonds this year on foreign financial markets since it received a good credit rating from a U.S. appraisal organization recently.

Nakhodka Likely Site for Russian Far East Venture

SK1106061892 Seoul CHOSON ILBO

in Korean 9 June 92 p 10

[By reporter Choe Yong-tae]

[Text] A joint government-business firm investment survey team returned home 7 June after winding up an 8-day survey of an area in the Maritime Province of the Russian Far East.

The survey team toured various proposed investment sites in Nakhodka, Vladivostok, Partizansk, Khabarovsk. Chang Chi-hyok, head of the survey team, who is also president of Kohap Business Group, said that "most survey team members feel Nakhodka is most suitable for investment."

He also said: "The Russian Government has promised to actively support us, that this area, Nakhodka, has relatively good social overhead facilities necessary for constructing an industrial complex, and that, accordingly, ROK business firms will be able to set up plants in the complex beginning in 1994 at the earliest."

Representatives from 13 leading domestic business firms, including Samsung Products Company; Daewoo Company, Ltd.; Lucky-Gold Star Company, Ltd.; and Taelim Fishery Company, Ltd.; as well as governmental agencies such as the Trade and Industry Ministry; Finance Ministry; Economic Planning Board; Land Development Corporation; and Korea Trade Promotion Corporation, joined the survey team.

This is the second survey since last mid-April. The survey team comprised representatives from business firms that will actually invest in this area in the future, and they were satisfied with investment requirements in the industrial complex. Accordingly, their investment in Nakhodka will be worked out in detail.

Head of the survey team Chang said: Unlike other areas in Russia, roads and port facilities in Nakhodka have been newly repaired and maintained recently, and the distance between the area where the industrial complex is to be built and the port is only one kilometer. Therefore, Nakhodka has all the necessary conditions for a good trading port.

He said: Although there are still some problems, such as industrial water, waste water disposal facilities, conversion of Russian rubles, these problems likely will be solved before ROK enterprises move into the complex.

The local administration authorities actively recommended ROK business firms to invest in the complex by proposing various conditions.

Yi Won-kol, chief of the Industrial Environment Division of the Trade and Industry Ministry, who also joined the survey team, said: The Nakhodka provincial government revealed that it would provide ROK business firms with skilled manpower, including local technical college students and soldiers, and that it would also solve the shortage of industrial water during the dry season from January to March by building a dam on the river near Nakhodka.

The types of industry most likely to advance into the complex are labor-intensive textile industry and fishery and timber processing industries that can make good use of the rich natural resources in this region.

With the textile industry, the local wage scale is \$30 to \$40 a month, which is a very low level. Manpower, including soldiers who will be discharged soon, is richer than we expected. Accordingly, there will be no problem advancing textile industrial business into the complex.

Chu Tong-sik, vice president of the Federation of Korean Textile Industry, said: Contrary to our preconception that Nakhodka is a scarcely populated area, the labor force seems to be sufficient in this region, and the only problem is the quality of labor.

He also said: It will be easy to secure markets when the complex's products are transported by the trans-Siberia railroad, which starts in Nakhodka.

The business firms that joined the survey team this time will form a consultative body along with those firms interested in investing in Nakhodka to start negotiations with the government's support.

The size of the industrial complex to be constructed in Nakhodka for ROK firms's exclusive use is 3.3 million square meters, and negotiations are under way to lease the complex for 70 years. The industrial complex will be

opened not only to ROK firms, but also to those joint venture firms between ROK and foreign firms.

Hyundai To Build Six Ships for Iran

SK1106055392 Seoul YONHAP in English
0512 GMT 11 Jun 92

[Text] Seoul, June 11 (YONHAP)—Hyundai Heavy Industries Co. has won a 200 million-U.S.-dollar contract from the Iranian State Shipping Co. (Irisl) to build six multi-purpose cargo ships.

Hyundai reported Thursday the ships, set for delivery in the first half of 1994, will be capable of carrying diverse goods including containers, steel and bulk cargoes like grain and coal.

Each vessel will measure 162 meters long, 24.8 meters wide and 13.6 meters high.

The latest order brings to 420 million dollars the aggregate contracts the company has obtained so far this year, Hyundai said.

***Government's 'New Industrial Policy' Outlined**

922c0149 Seoul HANGUK KYONGJE SINMUN
in Korean 17 Apr 92 p 3

[Article by reporter Pak Yong-kyun]

[Text] The framework of the government's "New Industrial Policy," which is eliciting concern, is being revealed.

The initial report on the so-called New Industrial Policy, which has been termed the "industrial policy for the 1990's," was completed by a group of research organs that have been participating in the project. On the basis of this report the Economic Planning Board (EPB) is scheduled to present a second report by the end of this month.

As soon as the more detailed second report is completed, EPB's basic plan is to begin working-level discussions with the various ministries and offices in the latter half of this year in order to reflect each ministry's views in the policy.

With respect to the specific period and method of implementation of the "New Industrial Policy" in particular, the EPB has stated, "Nothing has been definitely decided at present, but there will be no independent promoting of special measures." EPB explains that government policy will reflect the circumstances of the period by each issue.

Some are also predicting the possibility that this schedule might be moved up, however.

In connection with various sanctions recently taken against the Hyundai Group, the need has arisen to quickly formulate these policies.

Also, as the conclusion of the 6th Republic approaches, there is concern that if these policies are not quickly pushed forward, the opportunity will be lost, so there is a need to hurry.

This is only the initial stage, but the new economic policy that is beginning to emerge is not so much a short-term business policy as it is a wide-ranging restructuring of the system.

More than a plan for improvement of the industrial structure or strengthening the competitiveness of businesses, it is a comprehensive policy that deals with restructuring the role of the government and the banks.

The contents of the report put out by KDI and other research organs are: actual situation and improvement of management of banks that have made insolvent loans; actual situation and improvement of administration of policy loans; actual situation and improvement of financial structure; actual situation and improvement of assembly businesses and parts industries; specialized independent management and diversification of kinds of businesses; the role of government; prospects for the industrial structure of the 1990's; and leading the way to efficiency of business management.

Of these, the topics attracting attention, in line with the government's strengthening of "big business regulation," are programs for improvement of the financial structure related to insolvent loan adjustment, reduction of certification of payment between subsidiaries of any business group and regulation of internal transactions, specialized independent management, and improving the efficiency of business management.

The KDI report relating to this sector focuses on breaking up excessive concentrations of ownership of the chaebol businesses and leading the way to a specialized independent management systems in order to improve industrial structures.

This means, for example, we must greatly reduce the mutual certification of payments, which is the typical method of group management at present. The report says that after banning mutual investments, which is the main link among big business groups, we must in effect not permit the mutual certification of payments.

In this connection, the government is now surveying the situation with respect to mutual certification of payments made between subsidiaries of large conglomerates.

The report also takes the position that regulation of internal transactions which are being achieved among affiliates of big business groups must also be tightened. The report also notes the need to provide more strengthened examination criteria by examining the actual situation with regard to internal transactions.

In addition, the report points out that tax levies must be tightened on fund transactions such as provisional payments to persons with special relationships.

From the perspective of encouraging improvement of the financial structure, the report also suggests that we must improve the tax system so as to vitalize the issue of new shares and expand intra-company holdings.

Moreover, the report notes that business stock holdings of financial organs should be expanded by breaking up the stock ownership of the chaebol businesses.

To achieve this, the KDI research report proposes that the limits on holdings of securities of financial organs be expanded and that in order for long-term stock investments to be vitalized, real estate holdings should be curbed.

One financial figure points out that if such an epochal policy is implemented suddenly over a short period of time, great shocks can be anticipated. He hopes the government will explain its long-term plan and promote it gradually.

Yet another aspect of this policy design is that it puts the focus on enhancing the role of banks and readjusting the role of government.

The appropriateness is being discussed of promoting institutional improvements by having banks take the initiative in guiding enterprises by breaking the link in the "vicious circle" of banks having to continue to provide loans to insolvent enterprises.

For example, this would mean setting up a plan for establishing clear-cut criteria for insolvent loan settlements and loans that have been in arrears more than a specified period of time and providing for the exercise of security rights, and to make it possible to write off bad debts for the security shortfall even though the funds are recovered.

The report points out that we must greatly reduce the policy loans that have not only weakened the financial structure of enterprises but also have made the banking industry fall behind.

The plan calls for reducing the number of banking institutions handling government policy-related loans. It also calls for resolutely dishonoring bad checks issued even by an enterprise provided with the financial support with such policy loans if the company is not deemed savable.

In short, this is regarded as a policy of reducing to the minimum unnecessary government assistance to enterprises.

A considerable number of the proposals set forth by the research organs are identical with the policies the government announced it will implement during the period of the seventh five-year plan.

Announcing the seventh economic plan, the government revealed the major policies to be pursued would be:

easing the excessive ownership concentration of enterprises; guiding enterprises to establish a system of specialized independent management; smoothing out the readjustment of industrial structure; and guiding the improvement in financial structure.

In view of this situation, there is a good possibility the policies included in the KDI research report will be instituted on a yearly basis.

In connection with the question of whether there will be tangible enforcement of the "New Industrial Policy," there is growing concern as to the background of the government's decision to push this policy.

The conventional wisdom is that the government's moves in this direction began to take shape around the beginning of last year, when Vice Premier Choe Kak-kyu emphasized at an invitation-only round-table discussion at the Korea Management Association "the need for a new industrial policy to deal with the rapidly changing economic conditions."

Speculation is also rife that the source of this policy design is the Chongwadae economic team, however.

Regardless of where it started, the need to promote a new industrial policy corresponding to the swift changes in internal and external economic conditions is acknowledged.

What worries financial circles is that this industrial policy might be driven more by political necessity than pure economic logic, however.

For the policy to be effective, the basic principle is to prepare reasonable programs upon a realistic base of the object-economy.

Our experience of policy failures underscores the fact that when you pursue ideals to excess, futility is the end result.

***Private Sector Actively Promoting Reunification**

922C0153A Seoul HANGYORE SINMUN in Korean
30 Apr 92 p 2

[By reporter O Kwi-hwan: "Private-Sector Reunification Movement Out to Revitalize Grass-Roots Activities—the National Alliance, Others Adopt Activity Programs in Succession"]

[Text] Prompted by the North-South Agreement now in effect and the upcoming seventh high-level talks, the private-sector reunification movement that has been inactive for a while is expected to regain the momentum gradually.

The Committee for Independent Reunification [CIR] of the National Alliance for Democratic National Reunification, Chondaehyop [the National Council of College Student Representatives], and the Pan-National Struggle Headquarters for the Abolition of the National Security

Law [NSL] have adopted their activity programs one after another and are setting out to launch a variety of events and activities. The National Alliance CIR held a meeting of some 20 members from 10 regional and sub-sector CIR's on 16 April at Konguk University and finalized its "April-May activity program for independent reunification."

The program focuses on activities demanding the implementation of the North-South Agreement. At the same time, the CIR will launch diversified activities such as those to press for an accord on reunification formula; activities against the United States and for peace and disarmament, and movements promoting independent exchanges with the North.

Especially, it is noteworthy that the CIR, setting its sight on the seventh high-level talks, plans to hold a press conference on 4 May and make clear the National Alliance's position toward the talks and disclose an open letter addressed to the delegations of both sides. At this press conference and in the open letter, the CIR is expected to rebut and criticize statements made by the chairman of the South side at the third meeting of the Political Subcommittee of the North-South high-level talks on 23 April in which he demanded the disbandment of Pominnyon [the Pan-National Democratic Alliance] and cancellation of a pan-national convention.

Planned activities to press for the implementation of the North-South Agreement include publication of pamphlets explaining—in plain language for the public—the significance of the agreement and future prospects, dissemination of propaganda materials calling for the carrying-out of the agreement in good faith, and publicity activities in regions and sub-sectors. Also noteworthy is the CIR plan under study to use these activities and develop a "ratification struggle for the Agreement" demanding the ratification of the North-South Agreement by the National Assembly, timed with the opening of the 14th National Assembly expected for the end of May.

As for activities seeking an accord on the reunification formula, the CIR has plans to gradually expand and develop debates on the topic into a nationwide forum while pushing its own research on it. In consultation with the Policy Committee of the National Alliance, the CIR will hold an internal debate sometime in June and eventually sponsor a grand, pan-national debate in July or August with the participation of the government and opposition parties.

Conspicuous among the projected CIR activities against the United States and for peace and disarmament is the plan to propose an open television debate with the U.S. ambassador on topics including denuclearization of the Korean peninsula, signing of a peace pact, withdrawal of U.S. troops, U.S. "interferences in domestic affairs" in the contemporary Korean history, and inspection of nuclear facilities. Also notable are plans for inquiries

into U.S. bases and a struggle against nuclear-equipped U.S. aircraft carriers entering Korean ports.

In addition, the CIR program calls for movements to get the NSL scrapped and secure release of reunification activists, holding of traveling regional forums, and publication of newsletters.

The "Pan-National Struggle Headquarters for the Abolition of the NSL" (Pomt'ubon)—made up by 18 organizations including the National Alliance, the Lawyers Group for Democratic Society, the National Catholic Pastors Group for Justice, the Association to Support Im Su-kyong, the Preparatory Committee for the Formation of Pominnyon Southern Headquarters—also adopted its program for the first half of this year at a joint session of representatives of affiliated groups on 23 April.

As its first activity for May, this organization will hold a press conference on the 4 May to rebut the contents of a reply from the Justice Ministry to its "open letter of inquiry dealing with the NSL" sent earlier to the president, and to send another letter of inquiry. Two days later, on 6 May, members will visit six prisons in the country including the Seoul Detention House and hold "the second rally for the abolition of the NSL and release of conscientious prisoners."

At the same time, Pomt'ubon plans to hold public hearings on whether to improve or rescind the NSL and to prepare a "500 persons declaration for the abolition of the NSL." It also plans to invite an investigation team from the International Congress of Jurists (ICJ) to let facts about the NSL be known to the world.

Major activities planned for the first half of the year also include operations of centers for receiving damage reports from NSL victims, a survey of NSL victims and publication of data, and sponsoring cultural festivals linked to the NSL abolition issue.

Chondaehyop plans to hold ceremonies marking the start of its sixth campaign in mid-May and step up activities to heighten awareness and organization toward the revitalization of the reunification movement.

In particular, Chondaehyop plans to launch anti-U.S. activities with far greater intensity than other groups and, at the same time, actively sponsor events in conjunction with its North Korean and overseas counterparts, risking clashes with government authorities.

First, through 15 May, it will step up anti-U.S. propaganda activities, emphasizing the justness of and the need for forming an all-Korea youth and student league. Immediately before the ceremonies marking the start of the sixth campaign, it will propose an open television debate with the U.S. Embassy side on the issues of denuclearization of the Korean peninsula and a peace pact.

It also plans to launch nationwide activities to push independent exchanges with the North Korean side, disseminate knowledge of and support for a confederal

republic plan as a reunification formula, and hold a mock national reunification consultative conference. Thus, Chondaehyop will work to enhance public awareness of the proposed national reunification consultative conference as a forum on reunification formula.

Then, Chondaehyop plans to launch a nationwide drive after mid-May for the success of a "grand reunification festival of North, South and overseas youth and students." Also, marking the 42nd anniversary of the 25 June outbreak of the Korean war, it will stage events to enhance public awareness of the need for disarmament and a peace agreement.

All these activities will culminate in a subsequent grand reunification festival, and in a pan-national convention scheduled for August. Consequently, the reunification movement this year promises to be a far broader and more heated one than last year.

A CIR source in the National Alliance said that "so far, more people than expected have showed up at various training sessions held in connection with the reunification movement, demonstrating a revival of public enthusiasm for reunification." Thus, he predicted that the public-sector reunification movement this year will feature remarkably high enthusiasm and popularity.

Brunei, Malaysia & Singapore

Malaysia

Chief Refuses To Send Second Team To Cambodia

BK1006093692 Kuala Lumpur BERNAMA in English
0848 GMT 10 Jun 92

[Text] Kuala Lumpur, June 10 (OANA/BERNAMA)—Malaysia rejected the United Nations' request to send a second battalion to join the UN peacekeeping force in Cambodia because it was made at a very short notice and the four-month duration was not cost-effective.

Army Chief Gen. [General] Abdul Rahman Hamid said the world body made the request a month ago and the second group would have left for Cambodia at the end of last month if Malaysia had accepted the offer.

"The UN has given us very short notice and the troops are going to be deployed there only for about four months which we think is not cost-effective," he said when asked to comment on reports that Malaysia would not be able to send more troops to Cambodia due to financial constraints.

It would cost about M\$21 million just to prepare a battalion for a peacekeeping mission abroad, he said adding that the amount was exclusive of the personnel's emoluments, allowances and wages.

Gen. Abdul Rahman said preparing a battalion for a peacekeeping mission abroad was an expensive affair as extra clothing, new equipment and weapons had to be bought to replace old ones that cannot be used for long-time deployment such as in Cambodia.

"The battalion required additional supplies as they are going to be there self-contained in view of the composite nature of the country," he said.

He also said the UN had not reimbursed the Malaysian Government for expenses incurred for sending the first battalion to Cambodia and that the treasury was negotiating the amount with the world body.

A total of 890 Malaysian Army personnel are currently on duty with the United Nations Transitional Authority on Cambodia (UNTAC), he added.

DAP Campaigns Against Leader's Suspension

BK0906095492 Kuala Lumpur NEW SUNDAY TIMES in English 7 Jun 92 p 2

[Text] Petaling Jaya, Sat—The DAP [Democratic Action Party], claiming that its leader Lim Kit Siang had been unfairly ruled out of Parliament, today launched a signature campaign to revoke the suspension.

Vice-president Dr. Tan Seng Giaw told a press conference that as the "circumstances leading to the ban are

extremely controversial, there is a need to review those circumstances as objectively as possible."

Lim was initially suspended from Parliament for the remainder of the last meeting on May 14 following a row over the Maika-Telekom shares affair.

He then appeared in the House on May 26, during a two-day extension of the meeting, in apparent violation of the ruling and was subsequently suspended until the end of the year.

Dr. Tan said that a submission to the prime minister to "consider seriously the need for parliamentary reform" would accompany the signature petition.

The campaign would involve all party leaders.

The motion carried by the House and the ruling made by Deputy Speaker Ong Tee Keat, to suspend Lim provided for the reinstatement of the opposition leader and member for Tanjung if he formally apologised.

Lim, who was also at the press conference, was unrepentant. "I have done no wrong, why should I apologise?" he said.

"Malaysians must regard the arbitrary suspension of the parliamentary opposition leader from attending Parliament until the end of the year as a great blow to meaningful parliamentary democracy."

Singapore

Prime Minister Praises RSA President's 'Vision'

MB0806150992 Johannesburg SAPA in English
0231 GMT 8 Jun 92

[By Ben MacLennan]

[Text] Singapore June 8 SAPA—Singapore's Prime Minister Goh Chok Tong has praised President F.W. de Klerk's vision and courage in searching for constitutional solutions to South Africa's problems.

Speaking at a state banquet on Sunday night in honour of Mr de Klerk, he said South Africa was on the verge of a new chapter in its history and of re-entry to the international community.

Apartheid had created great problems for the country, but he praised Mr de Klerk for having the vision, courage and equanimity to search for consensus to solve them.

On Monday [8 June] Mr de Klerk joined the prime minister in an early-morning round of golf at the Tanan Merah Country Club.

Teeing off first, the state president hit a workman-like drive down the centre of the fairway that drew a round of applause from his hosts.

Mr de Klerk flies out of Changi Airport at 1:30 pm [0630 GMT] Singapore time on Monday and is expected at Jan Smuts Airport in Johannesburg at 6:45 pm [1645 GMT].

Government Disputes Charges Against Fishermen

BK1006092592 Singapore THE STRAITS TIMES
in English 9 Jun 92 p 1

[By Bertha Henson]

[Text] Singapore has urged Malaysia to drop its charges against the seven Singapore fishermen arrested 11 days ago, return their two boats, and refrain from making such illegal arrests in future.

Should Malaysia persist in making such arrests, Singapore might revise its present lenient stance towards Malaysian boats found fishing in Singapore's territorial waters.

It is understood that this message was contained in a strongly-worded protest note handed to the Malaysian High Commissioner yesterday.

A Singapore Foreign Ministry spokesman confirmed that the Government had summoned High Commissioner Datuk Emam Mohammed Haniff Emam Mohammed Hussein to the ministry yesterday afternoon to protest against the arrest and ill-treatment of the Singapore fishermen.

But beyond saying that a diplomatic note was handed to the Malaysian diplomat, he declined to give further details.

It is understood, however, that the Government had pointed out in the note that both the Marine Police and the Navy had often found Malaysian boats fishing in Singapore's territorial waters.

But rather than arrest the Malaysian fishermen, who claimed these waters to be their traditional fishing grounds, the Singapore authorities allowed them to continue fishing.

Where this was not possible for security or other reasons, Singapore authorities had asked them to leave.

The only occasion in recent years when Malaysian fishermen were kept away from these waters was period in 1989 when the Port of Singapore Authority was installing a radar tower on Pedra Branca.

The Government is understood to have said in its protest note that unless these "courtesies and acts of good neighbourliness" were reciprocated, it might not be possible to treat Malaysian vessels found fishing in Singapore territorial waters "so leniently" in future.

The seven fishermen were arrested by Malaysian Marine Police on May 28 for allegedly trespassing into Malaysian waters.

Two of the fishermen told newspapers here that the Marine Police boarded their boats, fired shots in the air, slapped them and cut their fishing nets.

All seven were detained overnight and had their Singapore-registered boats confiscated. They were later released on bail and are due to stand trial on June 15.

Boat masters Goh Seow Ker, 58, and Ng Chia Tong, 48, have also detailed their accounts of what happened that Thursday morning in two sworn statements, which are believed to have been handed over to the High Commissioner yesterday.

The Malaysian authorities have come out to deny that the fishermen were slapped but have given conflicting accounts of why the shots were fired.

They have maintained that the boats were in Malaysian waters.

A week after the arrest, Singapore issued a statement protesting against the arrest, saying that both boats were in their traditional fishing grounds.

Preliminary investigations showed that Mr Goh's boat was not in Malaysian territorial waters and was intimidated into sailing into the waters where it was then arrested—illegally.

While the position of Mr Ng's boat was less clear, a Foreign Ministry spokesman had described the physical violence and firing of shots as "unacceptable behaviour".

It is understood that these points were reiterated in the note, which also described the firing of shots as "a reckless and wanton act that could have had tragic consequences."

The note also contains a reminder that the May 28 incident was not the first case of Malaysian authorities exceeding their jurisdiction. Singapore cited how in July 1990, it had rejected Malaysia's illegal arrest of two Singapore boats for fishing in Indonesian waters.

The last time Singapore handed a protest note on yet another arrest of Singapore fishermen was late last year. Their case is pending in the Malaysian courts.

But this is the first time, however, that complaints of ill-treatment have been made. Protesting strongly against such "unacceptable conduct", Singapore urged Malaysia in its note yesterday to "swiftly bring the perpetrators to justice".

Singapore said that it welcomed press reports quoting Malaysian authorities as saying that the incident would be investigated and the culprits punished.

It wants the investigations speeded up, the results made public and has offered to help obtain further evidence to aid the probe.

Johor police, who have said that they would investigate the complaints of ill-treatment, faxed a letter to THE STRAITS TIMES yesterday requesting that it advise the Singapore fishermen to lodge a formal complaint.

But it is understood that this would no longer be necessary as the Singapore Government has now taken up the issue on their behalf.

Cambodia

Sihanouk Chairs 12th SNC Meeting 10 Jun

BK1006133392 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1300 GMT
10 Jun 92

[Text] The Supreme National Council [SNC] held its 12th meeting at 0900 on the morning of 10 June at the Khemarin Palace under the august chairmanship of His Royal Highness Prince Norodom Sihanouk, Cambodian head of state and chairman of the SNC. Attending the meeting were the members of the SNC, such as His Excellency [H.E.] Dit Munti, minister of information and press; H.E. Hor Namhong, minister of foreign affairs; H.E. Hun Sen, chairman of the Council of Ministers; H.E. Ieng Muli, representative of the Khmer People's National Liberation Front; H.E. Im Chhunlim, minister of education; H.E. Khieu Samphan, representative of the party of Democratic Kampuchea; Prince Norodom Ranariddh, chairman of the FUNCINPEC [United National Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party; H.E. Sin Sen, deputy minister of national security; H.E. Tie Banh, minister of national defense; H.E. Yasushi Akashi, head of the UNTAC [UN Transitional Authority in Cambodia]; H.E. John Sanderson, head of the UNTAC military mission; H.E. Behrooz Sadry, deputy head of the UNTAC; General Michael Lordon, deputy head of the UNTAC military mission; and H.E. Ataul Karim; as well as the ambassadors of the friendly countries in Cambodia, including the big five countries [UN Security Council permanent members], Indonesia, Japan, India, Germany, Australia, Malaysia, Thailand, Laos, Cuba, Korea, and Vietnam.

Also present at the meeting were the members of the SNC Secretariat.

Democratic Kampuchea Communique on Paris Accord

BK1106020292 (Clandestine) Voice of the Great
National Union Front of Cambodia in Cambodian
2330 GMT 10 Jun 92

[Text] From 7 to 10 June, representatives from the 24 divisions and three autonomous regiments of the National Army of Democratic Kampuchea [NADK] held a special meeting to discuss the progress of the implementation of the Paris 23 October 1991 accord over the past seven months. The meeting scrutinized the original copy of the Paris accord as well as documents dealing with the accord's concrete implementation by all parties involved. On the night of 10 June 1992, the meeting adopted the following joint communique:

1. The NADK's 24 divisions and three autonomous regiments fully support the 3 June 1992 letter of His Excellency [H.E.] Khieu Samphan, member of the Supreme National Council [SNC] and head of the party of Democratic Kampuchea [DK], to Prince Norodom

Sihanouk, head of state and SNC chairman. They also fully support H.E. Khieu Samphan's address at the SNC meeting on 5 June 1992.

2. The NADK wishes to clarify that in not implementing the Paris 23 October 1991 accord comprehensively in both its military and civilian aspects, especially in not executing two key terms; and in continuing to maintain all categories of Yuon [Vietnamese] aggressor forces in Cambodia and the Yuon-installed regime to rule the country, while the SNC remains a figurehead; that these actions constitute plans to violate the Paris 23 October 1991 accord.

Therefore, the NADK and the Cambodian nation and people can in no way accept these conditions. The NADK's 24 divisions and three autonomous regiments wish to clarify that they will never accept the continued trampling and nonimplementation of the Paris accord through:

1. The preservation of the Yuon aggressors in Cambodia; and
2. The preservation of the puppet regime the Yuon aggressors have installed since 1979 to administer the affairs of Cambodia.

This is not only the absolute resolve of the NADK, but also of the entire Cambodian nation and people in and outside the country. This is also the determination of the peace- and justice-loving people and countries in Southeast Asia and the world.

The NADK and the Cambodian nation and people in the country and abroad direly need the Paris 23 October 1991 accord to be correctly implemented, specifically the first two key terms, which are essential for the survival of the Cambodian nation and people:

1. All categories of Yuon aggressor forces should be withdrawn from Cambodia under the verification of the United Nations and the four Cambodian parties.

2. The Yuon-installed regime in Phnom Penh must not, for whatever reason, administer Cambodia. It is the SNC that is supposed to run the country during the transition according to the Paris 23 October 1991 accord.

3. In the past, the PDK, including the NADK, joined the Cambodian nation and people and other national and international forces to painstakingly achieve the Paris accord. Since the Paris accord, the NADK has continued to join hands with the Cambodian nation and people to strive to implement the Paris accord with all sincerity. Although some people will not implement the Paris 23 October 1991 accord, the NADK will continue to join forces with the Cambodian nation and people in and outside the country to earnestly do so.

4. The NADK wishes to call on the United Nations, the UN Transitional Authority in Cambodia, and all the signatory countries of the Paris accord to jointly and correctly implement the Paris accord. This is to allow

Cambodia to recover independence and peace, thereby promoting security, peace, and stability in Southeast Asia.

[Dated] 10 June 1992

[Signed] Representatives of the NADK's 24 divisions and three autonomous regiments

1. Division 5; 2. Division 18; 3. Division 19; 4. Division 36; 5. Division 86; 6. Division 305; 7. Division 320; 8. Division 405; 9. Division 415; 10. Division 417; 11. Division 450; 12. Division 519; 13. Division 607; 14. Division 612; 15. Division 616; 16. Division 705; 17. Division 709; 18. Division 785; 19. Division 802; 20. Division 809; 21. Division 919; 22. Division 920; 23. Division 946; 24. Division 948; 25. 107th Autonomous Regiment; 26. 27th Autonomous Regiment; and 27. 105th Autonomous Regiment.

KR 'Intransigence' Threatens Peace Process

BK1006132392 Hong Kong AFP in English 1259 GMT 10 Jun 92

[By Jean-Claude Chapon]

[Text] Phnom Penh, June 10 (AFP)—Fears that Khmer Rouge [KR] intransigence was threatening to derail the Cambodian peace process grew here Wednesday following a meeting of the country's Supreme National Council (SNC).

The group is refusing to bow to conditions in the peace treaty they signed last year, angering other factions and worrying U.N. officials.

U.N. Transitional Authority in Cambodia (UNTAC) chief Yasushi Akashi repeated after the meeting that the Paris peace plan would go ahead as planned "with three of the four factions," and preparations would continue for the launch of the second phase, due to begin June 13.

Akashi said the United Nations may have "to reconsider the situation seriously" during this phase if the KR—the military backbone of the Cambodian opposition coalition—still refused to participate.

The three factions that have agreed to join in the second phase are the Phnom Penh regime and the two non-communist groups allied to the KR which comprise supporters of Prince Norodom Sihanouk and former premier Son Sann.

Akashi quoted a letter from the KR to the United Nations in which the Marxist faction said it was "not in the position to allow the UNTAC forces to proceed with the deployment in the areas under their control."

Akashi said the KR continued to set two preconditions for its participation in the second phase, which envisages the cantonment and disarmament of the four factions' 200,000 troops and the demobilisation of 70 percent of them.

The conditions are that the United Nations confirm all Vietnamese troops have withdrawn from Cambodia and that the SNC assumes "much greater powers and authority, especially vis a vis the Phnom Penh administration," Akashi said.

Vietnam installed the government in Phnom Penh in January 1979 after its troops invaded Cambodia and overthrew the KR. Hanoi officially announced the withdrawal of all Vietnamese troops in September 1989.

(In Bangkok, China's ambassador reportedly said Beijing had agreed to hold talks with the KR and the other Cambodian factions. Li Shichun was quoted by the English-language THE NATION as saying the discussions would be aimed at breaking the deadlock.

(Li was speaking after a meeting Tuesday with Thai Foreign Minister Pongphon Adireksan to discuss Cambodia.

(U.S. Ambassador in Bangkok David Lambertson also called on Pongphon Tuesday to discuss Cambodia. He reportedly expressed concern over the future of the peace process and sought Thailand's assistance in ending the impasse.)

Akashi said the second phase would be carried out in such a way as not to disadvantage any of the four factions.

"UNTAC will not do anything to destroy the military balance... no party will be permitted to take advantage of phase two," he said.

However, he refused to be drawn on the possible consequences should the KR stick by their refusal to participate.

The Marxist faction has also demanded changes in the election law to exclude Vietnamese residing in the country from taking part, and guarantees that foreign aid for Cambodia's reconstruction would not end up in the hands of the Phnom Penh regime.

Akashi said the former of these demands would require a "very radical revision of the Paris agreement," and proposed that the right to vote should be given to people over the age of 18 who were born in Cambodia.

"I am glad that the SNC has accepted these proposals," he said.

Under the U.N. peace plan, elections are scheduled for April or May 1993.

Regarding foreign aid, Akashi said it would be a pity if it was blocked because of the "rigid positions" taken by any one group.

Prince Sihanouk, chairman of the SNC, a reconciliation body grouping the four factions of Cambodia's 13-year civil war under the terms of the October peace plan, said at the opening of the meeting that he was "anxious about the possibility of being able to proceed to phase two."

Promise Not To Seize Power Assailed

*BK1006092792 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1300 GMT
9 Jun 92*

[Station commentary: "The Criminal's Promise"]

[Text] On 4 June, through its clandestine radio, the Pol Pot clique played a political trick by pretending to announce that it would not seize power in Cambodia through either military or political means. It even shamelessly added that none of its representatives would run in the presidential elections in Cambodia and that it would not seek the post of National Assembly chairman nor that of the premiership.

This is a ridiculous and disgusting announcement.

Our people who suffered from the massacre and genocidal acts committed by this clique during its rule of three years, eight months, and 20 days, and from the shelling and lootings by this clique during the past 13 years and more, asked: If the clique does not want to seize power, why must it struggle, enduring all the hardship and poor living conditions of the jungle? Are all its activities in the past and at present aimed at completely destroying the Cambodian race?

Our people asked again: If the clique is not seeking power, why did it not sincerely respect the Paris peace agreement? Why did it not allow the UNTAC [UN Transitional Authority in Cambodia] access to its controlled zone? If it is not seeking something, why did it order its forces to continue launching attacks on the positions of the State of Cambodia's Army and the people's villages and communes in Kompong Thom, Siem Reap-Oddar Meanchey, Preah Vihear, Kompong Cham, Kampot, and other provinces?

Some observers have said that the ultimate goal of the Khmer Rouge [KR] is to regain the power they seized in 1975.

To regain power, the Pol Pot clique has employed the strategic means of catching one fish with both hands by sending Khieu Samphan and Son Sen to the peace process in Cambodia as participants as well as troublemakers—to ensure that it gets what it wants. Moreover, it has used the line that Vietnam has maintained troops in Cambodia and kept launching offensives against the Cambodian People's Armed Forces, causing trouble in the outlying, remote areas, deploying troops, and moving arms for concealment in the jungle in preparation for a protracted war.

If all these activities and such an attitude are not aimed at seeking power, what then? Who can trust the Pol Pot clique?

Everyone still remembers well that on 23 October 1991 in Paris, Khieu Samphan and Son Sen signed the Paris peace agreement on Cambodia with the other factions and the various signatory countries by promising that

they would comply with this agreement 100 percent. But, hardly had the ink on the paper dried than the Pol Pot clique grossly violated this agreement. During the past seven months and more, the clique has continuously violated the agreement.

Again recently, ignoring the announcement by Mr. Behrooz Sadry, UNTAC deputy chief, that the UNTAC has found no Vietnamese troops in Cambodia, the KR blocked Mr. Yasushi Akashi's inspection trip in Pailin by claiming that the UNTAC has not yet fulfilled their proposal.

At the 10th meeting of the Supreme National Council [SNC], Mr. Yasushi Akashi proposed a 12-point stage to be implemented by the four Cambodian factions to move toward implementing the second phase of the cease-fire. But prior to the 11th SNC meeting, the KR had not fulfilled any of these steps. On the contrary, they even accused the UNTAC of misusing the agreement.

Therefore, Khieu Samphan and the KR are untrustworthy. How then can anyone believe in their verbal promise made through radio when in fact they even broke their promise in writing?

The Cambodian people who had suffered at the hands of criminal Pol Pot know full well the KR's tricky and deceitful nature.

The best way to deal with these elements is to hold an international tribunal to try and sentence them to the punishment that befits the crimes they committed.

In this immediate period, the Cambodian people trust in the international community, particularly the big five powers, which will use all means to pressure, force, and drag them to implement the Paris peace agreement and take part in the peace process in Cambodia.

Demobilizing Troops Discussed, Praised

*BK1006110592 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 2300 GMT
9 Jun 92*

[PRACHEACHON editorial: "Effectively Implement the Policy Toward the Demobilized Armed Forces," date not given]

[Text] The second phase of the cease-fire, another important phase-by-phase implementation of the Paris agreement, will begin on 13 June 1992.

The work in this second phase of the cease-fire implementation includes the regroupment of troops in the set checkpoints and cantonment areas, disarmament, and dissolution of the armed forces that all factions must thoroughly carry out simultaneously.

Over the past seven months, the State of Cambodia [SOC] was the only party which always displayed its goodwill in sincerely implementing all points of the Paris

agreement. This is in order to head toward achieving a genuine peace for the nation and people.

In this implementation of the second phase of the cease-fire, the SOC party is ready to give sincere cooperation to the UNTAC [UN Transitional Authority in Cambodia] in preparing all conditions for the successful implementation of this second phase.

We also know very well that some problems might arise in this second phase to hinder the implementation of the peace agreement. His Excellency Yasushi Akashi, head of the UNTAC, has expressed his discontent with the Khmer Rouge's action, saying that it was an attempt to stall the UN peace mission, that is, the Khmer Rouge have all along tried hard to build up their strength, hide their forces, and make all kinds of preparations for carrying on the war. They have also exploited our goodwill in launching their propaganda and psychological warfare in order to create social instability and overthrow our state power, and have tried to stall the UN peacekeeping activities. However, the implementation of the second phase of the cease-fire will proceed at a time when we are in a position of strength and our action and attitude of goodwill are clearly seen and supported by the international community.

It is true that disarmament and demobilization will be most difficult and complex work. Most of our fraternal armed forces have experienced a difficult and protracted struggle and have made immense sacrifices for the rebirth of our beloved motherland and people. Within the near future, 70 percent of them will be demobilized and will return home to lead a civilian life. Therefore, many difficult problems will certainly arise for our government to resolve.

But all the SOC's past actions, born of goodwill, were aimed at nothing else but ending the protracted war and bringing genuine peace to our motherland, the sole aspiration of our Cambodian people. The second phase of the cease-fire is a major step in the peace process that will enable the UNTAC to speed up the full implementation of the Paris agreement.

Handing over the arms that all the brothers used to hold with great courage is certainly a strange and difficult thing. But you should see this as a courageous and honorable gesture, displaying your patriotism, your desire to achieve genuine peace for the nation, and your goodwill toward achieving national reconciliation and upholding our national honor with great pride.

The demobilizing officers and soldiers are regarded as officers and soldiers who have honorably obeyed orders and fulfilled their duties for the Cambodian motherland; thus, they must be most properly respected and commended. The Cambodian People's Party, the SOC Government, and our Cambodian people, in all circumstances will always remember your noble deeds for our nation and people.

In this spirit, all provinces, cities, and authorities at all levels, in addition to enhancing vigilance and striving to prevent all violations of the agreement by the other side, should pay attention to giving encouragement, morally and materially, to the brothers who will be returning to the localities. They should do everything possible to effectively implement the policy toward the demobilized cadres and combatants of our armed forces. In all circumstances we will always regard all of you as our core forces.

Chea Sim Visits Monks in Meanchey District

*BK1006114792 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 0430 GMT
10 Jun 92*

[Text] On the morning of 9 June, Chea Sim, chairman of the Cambodian People's Party [CPP] Central Committee, National Assembly, and National Council of the Kampuchean United Front for National Construction and Defense, visited monks at (Kansoamkusal) monastery in Meanchey District, Phnom Penh City.

Accompanying him on that occasion were Kong Sam-ol, member of the CPP Central Committee and vice chairman of the Council Ministers; Hok Langdi, vice chairman of the Phnom Penh City's Party Committee and first vice chairman of the Phnom Penh People's Committee; and many cadres.

Speaking on that occasion, Chea Sim pointed out the progress made by the State of Cambodia [SOC] over the past 13 years, particularly in 1992. This is when the party and Government of the SOC concentrated their efforts on national reconciliation in order to seek peace and happiness for the people and end the suffering, which has dragged on for more than a decade and up to the present.

Chea Sim also spoke about the current preparations for the implementation of the second phase of the Cambodian solution following the signing of the Paris agreement on 23 October 1991. He stressed that the SOC has correctly implemented each stage of the agreement. But the Khmer Rouge faction has not abided by the conditions of the agreement—that is, it has continued to violate the agreement. Particularly, the Khmer Rouge shelled villages and communes and robbed the people in various provinces, such as Siem Preah Vihear, Reap-Oddar Meanchey, Kampot, and Kompong Thom. These Khmer Rouge acts caused difficulties and suffering to thousands of families of people. Their acts were aimed at stalling the peace process and prolonging the war.

In conclusion, Chea Sim presented gifts to 70 monks and contributed some money for repairing the sermon hall and building the (Kansoamkusal) primary school and a bridge in (Boeng Tumpoan) Commune.

Indonesia

Suharto Leaves for Rio Earth Summit 10 Jun

BK1006092292 Jakarta ANTARA in English 0733 GMT
10 Jun 92

[Text] Jakarta, June 10 (OANA/ANTARA)—Indonesia believes that global environmental threats must be dealt with in a just and fair way by all nations on earth, Minister/State Secretary Murdiono said here Tuesday.

This means, he went on, each nation should make a contribution in accordance with its capacity, including financial and technology expertise.

Advanced nations, which have caused more negative impacts to the environment, must bear bigger burden than the developing countries, he said, adding that global environmental threats today include increasing temperature and thinning out of ozone layer.

Indonesia's concern over environmental problems has urged President Suharto to attend the Earth Summit in Rio De Janeiro, Murdiono said adding that the summit will be attended by around 100 heads of state.

The minister further said that Indonesia considered environment inseparable from development and that the two should always be approached in an integrated way.

President Suharto left for Rio de Janeiro Wednesday afternoon to lead the Indonesian delegation to the earth summit which will last until June 14.

Members of the Indonesian delegation include State Minister for Population and Environment Emil Salim and Indonesian Permanent Representative to the UN Nana Sutresna.

Golkar Maintains Wide Election Lead 11 Jun

BK1106003292 Jakarta Radio Republik Indonesia
Network in Indonesian 0000 GMT 11 Jun 92

[Text] The partial counting of votes for the House of Representatives in the 1992 general election as of 0550 West Indonesian Time [2250 GMT] up to this morning is as follows: The United Development Party [PPP] has obtained 16,404,857, the Functional Group [Golkar, the ruling party] 64,468,662 votes, and the Indonesian Democratic Party [PDI] 14,371,485 votes. Based on information we have received from the Indonesian election committee in Jakarta, the total number of votes counted has reached 95,245,004.

Election Voting Detailed

BK1006023892 Hong Kong AFP in English 0224 GMT
10 Jun 92

[Text] Jakarta, June 10 (AFP)—Indonesia's ruling Golkar Party maintained its wide lead over the country's two other legal parties Wednesday, the day after parliamentary polls, the National Election Committee (PPI) said.

Of the 84,231,206 votes—or about 75 percent of the total expected returns—received by the PPI from the country's 27 provinces at around 8:00 a.m. (0100 GMT), Golkar had a total of 56,441,482 votes or 67 percent, figures issued by the PPI said.

Eighteen hours after voting closed Tuesday, the Moslem-oriented United Development Party (PPP) took 14,879,769 or 17.66 percent of the votes, while the Democratic Party of Indonesia (PDI), a Christian-nationalist alliance, clinched 12,909,905 votes or 15.33 percent.

Almost 108 million of the country's 180 million people were registered to vote at 291,337 nationwide polling stations Tuesday to choose representatives in the legislative assemblies at the district, provincial, and national levels.

The figures showed Golkar dominated in the capital, taking 2,288,432 of the 4,387,943 votes counted so far. PPP and PDI took more or less equal shares of the remaining votes—with the former having a slight advantage.

The country's westernmost province of Aceh is the only region where the PPP is posing any degree of competition to Golkar, with the Moslem-oriented party on 406,979 and the ruling party on 671,252 votes.

In other provinces, Golkar maintained a comfortable lead over the two parties.

The results of the ballot count will be updated every two hours, said PPI Chairman and Home Minister Rudini on Tuesday.

Voting throughout the country proceeded calmly and orderly and was not marred by incidents, officials, including Indonesian President Suharto and Rudini, said late Tuesday.

At the national level, the three government-recognized parties are contending for 400 parliamentary seats. In the last elections in 1987, Golkar reaped 73 percent of the votes, PPP took 16 percent, and PDI clinched 11 percent.

Another 100 parliamentary seats are directly allotted to the military, who according to the law do not vote in elections.

The 500 parliamentarians, along with 500 people appointed by the president, form the People's Consultative Assembly (MPR), the country's highest legislative body.

In its single assembly every five years, held the year after the elections, the MPR sets out guidelines for policies until it meets again.

Suharto, who turned 71 on Monday, has run unopposed since he came to power in 1967. He is widely expected to run for a sixth consecutive term when his current one ends in 1993, but has not yet given any clear indication.

Laos

Ties With Thailand Viewed Prior to Prince's Visit

BK1106070592 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 11 Jun 92

[Feature in 11 June PASASON: "Good Lao-Thai Relations" marking forthcoming visit to Laos by crown prince of Thailand]

[Text] Respected listeners, Laos and Thailand are neighboring countries which share the same blood and maintain similar customs, culture, and languages. This fact has proved the significance of our long-standing bilateral relations. In recent years, the relations between the two countries have been raised to another higher level. Based on time-honored traditions of fraternal significance, the leaders of the two countries have tried to bring peace to the two peoples on the basis of the joint statements of 1978 and 1988 signed between the two governments.

The said significance of the relations has been seen through many events. An outstanding event was the official visit to the Kingdom of Thailand earlier this year by the president of the Lao People's Democratic Republic [LPDR] at the invitation of the king of Thailand. During the visit, President Kaysone Phomvihane and his wife conferred the Lan Xang medals of victory on their majesties the king and queen and conferred the medals of praise on his royal highness the crown prince and Princess Chulaphon Wilailak of the Kingdom of Thailand. The LPDR Government also conferred the medal of praise on Her Royal Highness Princess Maha Chakkri Sirinthon on the occasion of her 36th birthday in commendation of her achievements in building a new era in Lao-Thai relations. At the same time, the LPDR president also welcomed a visit to the LPDR by the prime minister and high-level officials of Thailand.

Laos and Thailand have also agreed to build a friendship bridge across the Mekong River linking Laos and Thailand, with monetary assistance worth U.S. \$30 million given by the Australian Government. The bridge construction serves as a token of friendship and brings about benefits to the peoples of the two countries. It also reflects the mutual understanding and cooperation between the countries in the region. The governments of Laos and Thailand, serving the aspirations of the two peoples who wish to see the Mekong River turned into a river of peace and to see the two countries become good neighboring, fraternal countries, have set up joint committees. The joint committees include the Lao-Thai Cooperation Committee which is aimed at promoting economic, social, cultural, scientific, and technological cooperation, and the Lao-Thai Joint Border Defense Committee which is aimed at maintaining peace and order along the stretched common border and together checking undesirable incidents that might arise. The Lao-Thai Joint Border Committee which is set up to control and settle various problems between the two countries has also effectively carried out its tasks, thus

worthily contributing to maintaining the fine significance of the relations between the peoples of the two countries.

In the field of trade, the two governments have jointly signed a treaty on cross-border trading. They have also promoted the government-to-government trading system as well as trading between members of the private sector on the basis of mutual benefit. The two governments have also agreed to promote tourism, in particular to preserve natural and cultural conditions. The Thai Government has also granted a number of scholarships to the Lao Government for some 200 Lao cadres to have short-term training practice in different branches in Thailand. In addition, the Thai Government has given a total of 620 metric tons of rice as aid to our country for distribution to the people who have suffered from natural disasters in various provinces.

All of this proves that the cooperation and relations between Laos and Thailand are blooming and fruitfully developing. The Lao and Thai peoples are convinced that in the future, the relations and cooperation between the LPDR and the Kingdom of Thailand, based on the efforts of both sides, will be increasingly developed and that the remaining problems or difficulties between the two countries will be successfully settled and eliminated step by step so that the two can coexist in peace and together enjoy prosperity.

Distribution of Thai Aid Materials Completed

BK1006142592 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 10 Jun 92

[Text] The Thai Government's urgent aid, worth 10 million baht, to Lao people affected by natural disasters during the past monsoon season rice planting season has been completed. The aid included 620 metric tons of polished rice and some agricultural production equipment, such as fertilizer, tractors, and water pumps. The Lao services concerned have already distributed the aid materials to needy people affected by natural calamities: for example, 120 metric tons of polished rice in Savannakhet Province and 500 other metric tons in Vientiane Province.

As for the farm tools, they have only been distributed to some localities which are really in need of them for carrying out production in the coming monsoon season.

Number of Foreign Investment Projects Increases

BK1006035492 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 9 Jun 92

[Text] Since 1988, investors from Thailand have invested in a total of 80 projects in the Lao People's Democratic Republic [LPDR]. These investment projects are worth more than \$127 million altogether, covering 45.8 percent of the total amount of foreign investments in Laos. The investors from Thailand have mainly invested in handicrafts and light industry in

addition to the export-import, forestry, and weaving fields, as well as the fields of agriculture, mining, banking, construction, communications, hotels, and tourism. All these projects have been regularly carried out until now.

Following the broadening of foreign investment by the LPDR since 1988, investors from 24 countries, including Thailand, have invested in a total of 201 projects in various fields worth \$359 million. It is noted that the number of foreign investments in the LPDR has continually increased. In the first three months of this year alone, as many as 25 projects, worth millions of dollars, were invested in the LPDR by foreign investors.

Investment Problems Discussed

BK1006104392 *Vientiane PASASON in Lao*
21 May 92 p 2

[Article by So Phantavong: "Some Problems in Foreign Investment in Laos"]

[Text] Until now, foreign investment in the Lao People's Democratic Republic [LPDR] has increased to a total of 201 projects, with a combined total investment cost of U.S. \$359.662 million. Of these projects, 25 are contractual businesses with an investment of \$38.575 million, 98 are joint ventures with \$176.071 million, and 88 are unilateral foreign investment projects with \$145.016 million. Total foreign investment involves 24 countries in 12 enterprise fields.

Foreign investment in Laos first took shape in 1988 when the country began to implement an open-door policy to woo international economic cooperation and to welcome foreign investment here. In the initial stage, only eight projects were begun with a total investment of only \$3.302 million. In 1989, 51 more projects were introduced with \$64.552 million. In 1990, 47 projects came into the scene with \$85.291 million. In 1991, a total investment of \$161.393 million was put in 70 new projects, while in the first three months of this year, 25 more projects were introduced with combined investment of \$45.393 million.

According to the statistics provided by the Ministry of Foreign Economic Relations, most foreign investment in Laos has been focused in the fields of industry, import-export trading, and garment and textile businesses. Over the past several years, many investment projects and enterprises have proceeded smoothly. However, it appears that some projects have encountered certain obstacles, thus compelling them to halt or to temporarily suspend operations, while some others have not even begun operations even though they have already obtained permission to do so. Concerning this problem, the agencies in charge of foreign investment revealed that one reason for this is that foreign investors have lacked sufficient data. Despite having been granted permission, they have failed to start up businesses, while some others have only been able to operate their enterprises for a certain period and have come to a standstill.

Some investors have been given concessions on certain projects but never returned. Most of them only want to apply for the registration of licenses to import goods into Laos or to export timber for sale abroad.

Nevertheless, there still are several favorable factors attracting foreign investors to Laos, such as cheap labor, low water and electricity rates, the availability of export quotas for some goods such as garment and textile products, and political stability. These factors have become incentives for several countries to invest in our country. What remains of great concern for foreign investors is that our country has no sea access, resulting in increased expenses for transporting raw materials from abroad for processing by our factories and for shipping finished products to the international market.

Nonetheless, certain minor problems that cause investment conflicts, especially in the field of commercial joint ventures, are related to the cost of operations. Some foreign partners in joint ventures often inflate the cost of raw materials or reduce the prices of export goods. At the same time, their Lao counterparts often raise the local administrative costs of the production of goods. Therefore, such practices have caused mutual suspicion among joint-venture investment partners. However, this problem can be resolved through an import-export process in which financial transactions are carried out through certain banking procedures to bring about clarity and mutual understanding.

Philippines

Aquino Says U.S. Owes \$300 Million for Bases Use

HK1106013892 *Manila DWIZ Voice of the Filipino People's Radio in Tagalog* 2200 GMT 10 Jun 92

[Text] President Corazon Aquino said the United States has to pay, before it pulls out in December, the remaining \$300 million aid for its use of the military bases.

Aquino said she believes the U.S. Government will pay this debt to the Philippines.

Observers said the \$300 million will be a big help to workers who lost their jobs in the military bases.

Confident U.S. Will Pay

HK1106040492 *Manila PHILIPPINES NEWSDAY in English* 11 Jun 92 p 1

[By Dionisio Tubianosa]

[Text] President Aquino yesterday expressed confidence that the United States would honor its commitment of \$300 million in military aid still due the country under the expired RP [Republic of the Philippines]-U.S. Bases Treaty.

Ambassador Frank Wisner had reportedly assured the Aquino government the U.S. would never renege on its pledge to help the Philippines.

"On the matter of \$300 million in military aid that is still due us, I have no doubt that the U.S. will honor its commitment," Mrs. Aquino said, amid apprehensions from various sectors that the U.S. might decide to forego its pledge when it completed the withdrawal of its military facilities and personnel by year-end.

At the same time, Mrs. Aquino said she would propose increases in the budgets of the Department of National Defense [DND] and other departments to the incoming administration.

"We will limit our work to the preliminary phase of budgeting and will present a proposed budget to the incoming administration which may revise it according to its own priorities," Mrs. Aquino said.

Defense Secretary Renato de Villa last Thursday [4 Jun] said he would ask for increases in the 1993 budget of the DND to offset the \$200 military assistance that will not be given to the Philippines with the abrogation of the RP-U.S. base treaty. This amount is outside the earlier \$300 million still due the country under the expired agreement.

Meanwhile presidential front runner Fidel Ramos said the Philippines should promote interdependence, mutual support, and mutual cooperation for Asia and the Pacific and a less tightly knit relationship with the United States.

"We want to reawaken the open and cooperative conception about the Philippines by our neighbors... kasi, baka nagbigay tayo ng impression na naging isolationist tayo... [because we may give the impression that we have become isolationist] but certainly what the times really call for is interdependence, mutual support, mutual cooperation for Asia and the Pacific," Ramos explained, adding that he was not pro-American but pro-Filipino.

Ramos also noted the need for self-reliance in the modernization of the Armed Forces based on the country's needs and resources, and the need to cooperate among nations in the region particularly in the common sourcing of defense supplies.

"As Secretary of Defense, I even offered to our counterparts in the ASEAN that we must start a common sourcing of defense supplies instead of buying them from Western countries or the Americans. If we can get together on these matters, then we would do it among ourselves. That is one step toward defense cooperation without being tied up together in a military alliance," Ramos said.

Japanese Investors 'Showing Renewed Interest'

HK1106032092 Manila BUSINESS WORLD
in English 11 Jun 92 p 1

[By Mary Jane O. Llanes]

[Text] After sitting on its vast reserves targetted for overseas investments for quite a time, the cautious but moneyed Japanese business community is looking this way again in its first-ever display of confidence in the Philippines' outlook after the May 11th elections.

"Japanese investors have started showing renewed interest in the Philippines in what appears to be the first sign of the end of their wait-and-see attitude that was quite evident months before the just concluded elections," Trade and Industry Undersecretary Tomas I. Alcantara, in an interview, said.

The Board of Investments (BoI) was advised recently by the Philippines' Commercial Attache for Investments in Japan that at least 17 companies there have shown keen interest in investing in local companies. This display of interest came at the end of their participation in a four-city investment promotions seminar last May 18-22.

The commercial attache in Japan said the companies which expressed interest are engaged in the following industry sectors: automotive component manufacturing, electronic motors, computer VCM [expansion unknown] coils, textile and garments manufacturing, micro shaft motor manufacturing, hotel and tourist resort operations, and transformer and refrigerator manufacturing, Mr. Alcantara said.

Many of the firms have expressed interest in establishing joint ventures with Filipino companies that are already engaged in automotive component, refrigerator and textile manufacturing.

The others expressed their desire to set up operations in the Philippines for the export markets, particularly Japan, Mr. Alcantara added.

Manila-based Japanese businessmen explained that part of the reason Japanese investors are pouring in new money, is the apparent victory of Fidel Ramos in the recent election.

Mr. Ramos is said to be popular among the Japanese, a residual effect of his role in the "people power" EDSA [Epifanio de Los Santos Avenue] uprising of 1986.

Mr. Alcantara added that the BoI is attempting to match Japanese investors with Filipino counterparts—either those who are already engaged in the business or those who have manifested venturing into new fields of businesses.

He said the board has an existing data base which contains Filipino companies which have indicated interest in joint ventures with foreign partners.

The companies in the data base will be looked at first before the search is expanded to other companies that may be interested in new ventures.

At the same time, Mr. Alcantara said the Japan Desk at the BoI will actively participate in the search for joint-venture partners in the Philippines for the Japanese companies.

"As soon as the match has been made, the Japanese companies will be invited to discuss the proposals with the identified partners."

China, Russia Invited to Ministerial Meeting

*HK1106055092 Quezon City Radyo ng Bayan
in Tagalog 0400 GMT 11 Jun 92*

[Text] The Department of Foreign Affairs says China and Russia have been invited to the 25th ASEAN ministerial meeting.

This will be the first time that the foreign ministers of China and Russia, which are not ASEAN members or dialogue partners, are official participants in the ASEAN meeting, to be held on 21 and 22 July.

The two countries' participation is in relation to the discussions about the balance of power in the region with the withdrawal of U.S. military forces from the Philippines.

The 25th ASEAN ministerial meeting, which will be held at the Philippine International Convention Center, will be the first diplomatic activity of the new administration.

During the meeting, it is expected that Laos and Vietnam will sign the Treaty of Friendship and Cooperation as a first step to becoming an observer like Papua New Guinea.

The post-ASEAN meeting will be held from 23 to 26 July. It will be attended by big countries like Australia, Canada, the EC, Japan, New Zealand, South Korea and the United States.

Government Lifts Travel Ban on South Africa

*HK1106015892 Manila MANILA BULLETIN
in English 11 Jun 92 p 1*

[Text] The Philippine government has lifted travel restrictions on Filipinos wishing to visit South Africa and on South African nationals visiting the country on business or as tourists.

The policy change has been made by the Department of Foreign Affairs [DFA] on the strong representations made by the Department of Trade and Industry [DTI] and was prompted by the relaxation on trade and travel restrictions imposed on South Africa by the United Nations."

In view of the recent positive political developments in South Africa on the firm resolve by its government to remove anti-apartheid laws, the United Nations has prescribed actions that would, among others, re-establish people-to-people contacts between its members and South Africa as well as the resumption of sports links.

Under the new policy, the ban on travel and other restrictions to South Africa of Philippine nationals has been lifted. Henceforth, the mark "not valid for travel to South Africa" shall no longer appear in Philippine passports. The lifting of such restrictions, however, shall not yet apply to Philippine diplomatic and official passport holders, whose visits to South Africa, if deemed warranted, shall be subject to specific approvals from the Department of Foreign Affairs.

The relaxation of applicable restrictions by the Philippines is, however, not yet total. Total lifting of all restrictions will be made only after the South African government has successfully undertaken the complete abolition of the system of apartheid.

The new policy declaration made by the DFA is consistent with the earlier recommendations made by the DTI due to attractive potentials in trade and investments with South Africa. At present, trade with South Africa is allowed on a limited basis only. Prior approval is still required before the private sector can export and import to and from South Africa. Such approvals are given on a case-by-case basis and on a non-precedent setting basis.

In moving for the opening of trade ties with South Africa, the DTI supported the strong clamor by the private sector to follow the moves by other countries in the resumption and increased trade activities with South Africa.

Government Opens 6 More Diplomatic Missions

*HK1106033592 Manila PHILIPPINE DAILY
INQUIRER in English 11 Jun 92 p 1*

[Text] The government has opened six more diplomatic missions abroad, including embassies in Turkey, Morocco and Senegal, to "serve thousands of Filipino workers in those countries," Foreign Secretary Raul Manglapus announced yesterday.

Aside from the embassies in Ankara, Amman and Rabat, Manglapus said new missions have also been put up in Amman, Jordan; Doha, Qatar; and Bahrain, all in the Middle East.

This brought to 77 the total number of Philippine diplomatic missions abroad which also function as trade promotion and science and technology advisory offices.

Early this year, the DFA [Department of Foreign Affairs] opened another embassy in Muscat, the capital city of the sultanate of Oman. The mission is headed by Ambassador Bahnarim Guinomla.

These embassies and consulates "are kept busy attending to our hundreds of thousands of contract workers," Manglapus said in a recent forum at the University of the Philippines in Diliman.

"Sometimes it's not easy attending to all of them—providing some of them temporary shelter or legal help—but we try our best," he said.

A check with the DFA cultural and public information office disclosed that in Western and Central Asia, the country has embassies in Abu Dhabi, Baghdad, Colombo, Dhaka, Islamabad, New Delhi, Riyadh, Tel Aviv, Tehran and Yangon (formerly Rangoon) and a consulate in Jeddah.

In the Asia-Pacific, the DFA has embassies in Bandar Seri Begawan, Bangkok, Beijing, Canberra, Hanoi, Jakarta, Kuala Lumpur, Pohnpei, Port Moresby, Seoul, Singapore, Tokyo and Wellington and consulates in Agana, Hong Kong, Honolulu, Kobe, Manado, Saipan and Sydney.

In Africa, the Philippines has embassies in Cairo, Lagos, Nairobi and Tripoli.

In Europe, the country has embassies in Athens, Belgrade, Berne, Bonn, Brussels, Bucharest, Budapest, The Hague, London, Madrid, Moscow, Paris, Rome, Stockholm, the Vatican, Vienna and Warsaw and consulates in Geneva and Hamburg.

In North America, the DFA has embassies in Washington and Ottawa and consulates in Chicago, Houston, Los Angeles, New York, San Diego, San Francisco, Seattle and Toronto.

In Latin and South America, the country has embassies in Brasilia, Havana, Lima, Mexico City and Santiago.

Sixty Six Percent of Votes Extends Ramos' Lead

HK1106012092 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 10 Jun 92

[Text] Administration candidate Fidel Ramos has again widened his lead over People's Reform Party standard bearer Miriam Defensor Santiago. Congress has counted about 66 percent of the votes or over 112,000 of the 170,000 precincts around the country.

In its latest tabulation, Ramos posted a total of 3,176,187 votes while Santiago has 2,977,606 votes. Eduardo Danding Cojuangco of the Nationalist People's Coalition remains in third place, followed by Ramon Mitra Jr of the Struggle of Filipino Democrats; Imelda Marcos of the New Society Movement; Jovito Salonga of the Pilipino Democratic Party-Nation's Strength; and Vice President Salvador Laurel of the Nacionalista Party.

Meanwhile, Senator Joseph Estrada maintains the lead in the vice presidential race with 3,784,651 votes.

The congressional committee has only four days left to finish its canvassing of returns before its self-designated deadline of 16 June.

Ramos: Estrada To Become Working Vice President

HK1006122992 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT

[Text] There is no assurance that the Department of Foreign Affairs [DFA] top position will be given to Joseph 'Erap' Estrada, vice president apparent. While it has been a tradition to assign the DFA post to whoever becomes vice president, Fidel Ramos stressed that he would not follow this tradition. Ramos said he is a nontraditional politician and added he would make Estrada a truly working vice president. However, he does not have a definite cabinet position for Estrada yet because he is still searching for the most intelligent people to place in his cabinet. Ramos mentioned he has already met with Estrada and has talked about his duties in the incoming administration.

Meanwhile, Ramos belittled reports that he will scrap the position of executive secretary. However, he said he is open to the possibility of scrapping some cabinet positions for reasons of cost effectiveness. He said the position of energy secretary would be added to his cabinet.

Abadia Sees Major Military Reforms Under Ramos

HK1106032192 Manila THE CHRONICLE in English 11 Jun 92 p 1

[By Joey Caburnida]

[Text] The Armed Forces Chief of staff, Gen. Lisandro Abadia, yesterday admitted he had met with presidential front-runner Fidel Ramos and expressed optimism that the former defense secretary would make major strides in improving and professionalizing the fractious military.

Abadia said Ramos was "open to ideas coming from all sectors" particularly on the need to unify the military, increase the salaries of its personnel and do away with perceived discriminations in the promotions system.

"I'm sure he is aware of the problems of the Armed Forces, and I think he will be sympathetic to cries for an increase in the allowance of our officers," Abadia told newsmen in an interview at Camp Aguinaldo.

"I did not talk to him about possible amnesty to ultra-rightist rebels, but he said he was open to all ideas coming from all sectors," he added.

Abadia's leadership has been credited for successfully bringing back to the fold of the law some of the known rightist coup plotters through a series of reconciliation

meetings with the Rebolusyonaryong Alyansang Makabayan [Revolutionary Nationalist Alliance]-Soldiers of the Filipino People-Young Officers Union (RAM-SFP-YOU).

On the other hand, it was during Ramos' term as AFP [Armed Forces of the Philippines] chief of staff that cracks became more evident in the military due to political polarization of soldiers who were mainly divided between the Marcos-Ver camp and those who sided with Ramos during the Edsa [Epifanio de los Santos Avenue] uprising in 1986.

But Ramos' rise to the defense department enabled him to defend the Aquino government against seven coup attempts launched by rightist rebel soldiers.

Asked whether Ramos had assured him of his retention as armed forces chief, Abadia replied that when he met with the presidential front-runner, "I did not talk to him about my possible retention as chief of staff."

He said Ramos merely "told me that he commended the AFP for a job well done during the elections."

He added: "He said he was very proud of the AFP. And he knows about the plot to kill him."

Abadia also said he was confident that the Commission on Appointments would immediately act on the pending promotions of AFP major service commanders, area service commanders, the deputy chief of staff and the superintendent of the Philippine Military Academy.

Such promotions had already been approved by President Aquino, but the Commission on Elections had stopped its implementation because it was passed during the election period where there was a ban on promotions.

"I am sure that I was able to enlist their support, although Congress is technically in recess. I was able to get the verbal support of the chairman of the House committee on defense headed by Congressman Jose Yap and the Senate committee on defense headed by Sen. Ernesto Maceda," Abadia said.

Contrary to reports that he had been scolded by some senators when he made a surprise visit to Congress the other day during the canvassing of votes there, Abadia said that, in fact, he was "warmly welcomed by members of both the House and the Senate."

He added he was even "invited by Senate President Neptali Gonzales to have coffee in the Senate lounge."

Abadia was seeking the promotion of Army Chief Maj. Gen. Arturo Enrile to lieutenant general; Air Force chief Maj. Gen. Loven Abadia to lieutenant general; navy flag officer in command Rear Admiral Mariano Dumancas Jr. to admiral [rank as published]; and AFP deputy chief of staff Rear Admiral Proceso Fernandez to admiral [rank as published];

Maj. Gen. Gumercindo Yap, Southern Command chief to lieutenant general; Brig. Gen. Cesar Fortunato, Southern Luzon Command chief, to major general; Brig. Gen. Romeo Zulueta, Visayas Command chief, to major general; and Western Command chief Brig. Gen. Espineto Logico, to major general.

Armed Forces Increase Security for Ramos

*HK1006121192 Manila Manila Broadcasting Company
DZRH in Tagalog 0800 GMT 9 Jun 92*

[By Rodney Jaleco]

[Text] The Armed Forces has increased the number of soldiers assigned to administration candidate Fidel V. Ramos because of the reported assassination plot against him.

This was disclosed by Armed Forces Chief General Lisandro Abadia after meeting with Ramos who is leading in the official tabulation of the Congressional Board of Canvassers.

Abadia did not say how many soldiers were added to the security contingent for Ramos.

Abadia said he is confident Ramos will support his initiatives in the Armed Forces.

He added that the former defense secretary has a deeper appreciation of the problems and needs of the military; and, because of this, he is open to alternatives to peacefully solve the problem of communist insurgency and ultrarightist rebellion, including the possibility of granting amnesty.

Although it was reported earlier that Ramos intended to retain Abadia as chief of staff, Abadia said they did not discuss this in their meeting.

Plot Links Generals

*HK1106043592 Manila DWIZ Voice of the Filipino
People's Radio in Tagalog 2200 GMT 10 Jun 92*

[Text] Six generals on active service and 10 who are retired have been linked to the assassination plot against frontrunning presidential candidate Fidel Ramos.

Military intelligence said the plot is similar to that which killed former Indian Prime Minister Rajiv Gandhi, which involved a suicide bombing.

Intelligence reports also said the plan was hatched when those behind it failed to tamper with the certificates of canvass now being used by Congress to count the votes.

The Armed Forces have increased the number of soldiers guarding Ramos.

Involvement of Generals Denied

HK1106054392 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 11 Jun 92

[By Vic Pambuan]

[Text] General Lisandro Abadia, Armed Forces chief of staff, today denied that 16 of his generals are among those plotting to assassinate Strength-National Union of Christian Democrats presidential candidate Fidel Ramos.

In an interview in Camp Aguinaldo, General Abadia said there is no intelligence report regarding the alleged involvement of the 16 Armed Forces generals in the assassination plot against Ramos, who was the former defense secretary.

He explained that the allegation about his generals' involvement is pure black propaganda by Ramos' enemies. Abadia reiterates his confidence in his generals who he said trust his leadership.

Earlier, Abadia lobbied for the promotion of his area commanders, major service commanders including the Philippine Military Academy superintendent and Philippine Navy in Congress because he believes that their loyalty to the government should be rewarded. Abadia went to the National Assembly building to reopen the issue on the promotion of his generals, after the Commission on Elections temporarily deferred this in relation to the 11 May national and local elections.

Presidential Candidate Said Involved

HK1106035992 Manila MANILA CHRONICLE in English 11 Jun 92 p 1

[By Manny Mogato]

[Text] A losing presidential candidate has been tagged as one of those behind the alleged plot to assassinate President-apparent Fidel Ramos, sources at the Lakas [Strength]-NUCD (National Union of Christian Democrats) coalition said.

Citing new raw intelligence reports, the Lakas-NUCD sources said the losing presidential candidate had been enlisting support of some senior armed forces officials in an alleged plot to prevent Ramos' proclamation.

The sources said several scenarios had been planned by anti-Ramos forces, including a "Rajiv Gandhi-style" assassination attempt and a restaging of the massacre of some fanatics similar to what had happened in Manila during the early 1960's.

But a military official dismissed the report as "incredible and fantastic." He said the intelligence community has yet to confirm these assassination reports.

Camp Aguinaldo also denied that some military officials are involved in any destabilization attempt, blaming right-wing rebel groups for spreading disinformation.

But Lakas-NUCD sources said they had been getting reliable information on the alleged assassination plots after the rival candidates had failed to tamper with the ballots to favor certain candidates.

Lakas-NUCD officials said the rivals had repeatedly tried to switch ballot boxes but failed.

"Their last resort is to eliminate Ramos to be able to stop him from assuming office by June 30, because their attempts to cheat have failed," a coalition source said.

In fact, one of Ramos' plans right after his proclamation is to visit military camps to explain to soldiers and their families why he did not campaign inside camps before the May 11 polls.

Fort Bonifacio, the Army's headquarters, is one of his first stops. Ramos lost to businessman Eduardo "Danding" Cojuangco in two polling precincts inside the sprawling camp.

Earlier, Ramos had met with his three presidential rivals, with two influential religious leaders in the country, with his erstwhile partner in the EDSA [Epifanio de los Santos Avenue] revolution, Cagayan Representative Juan Ponce Enrile, and with the apparent Vice-President Joseph Estrada.

He had initiated meetings with politicians belonging to rival parties, like Tarlac Representative Jose Yap.

He also had planned meetings with rival Cojuangco and Tarlac Governor-elect Margarita "Tingting" Cojuangco for possible alliance to support Representative Jose "Peping" Cojuangco's bid for the Speakership of the House of Representatives.

Communist Alex Boncayao Brigade Profiled

HK0806135792 Quezon City GMA 7 Radio-Television Arts Network in English 1445 GMT 5 Jun 92

["Probe Team" program "profile" of Alex Boncayao Brigade (ABB) with Cheche Lazaro and unidentified narrator interviewing two ABB members identified only as Jay and Jojo—recorded; separate comment by ABB head Serio Romero, ABB victim's wife Mrs. Dinio, and political analyst Alex Magno previously recorded—italicized passages in Tagalog]

[Text] [Cheche Lazaro] Like most men in their late 20's, Joey and Jojo is in the thick of pursuing their careers. They are dedicated, driven, and committed to their work. What makes them different is the kind of job they have chosen. Both Jay and Jojo are active members of the Alex Boncayao Brigade [ABB] or Sparrows, the urban component of the New People's Army.

While many feel that the revolutionary movement is losing the war, the Sparrows insist that they are still enjoying the support of the people.

Last week, the two men brought the Probe Team to a safehouse to prove their point. The Sparrows are still in flight.

[Unidentified narrator] It is 1400 in the afternoon, while the rest of Metro Manila is complaining about the brownouts, the five men have other concerns. Armed with maps, sketches, and, of course, guns, these men start their work.

[Jay] *The name of the target is Pacman. Pacman is simply his code name.*

[Unidentified narrator] Jay is the leader of his team. For five years now, Jay has been active in the combat operation of the ABB. A major part of his assignment is to carry out liquidation plans. Their common targets are military men involved in counterinsurgency operations and policemen who are abusive and corrupt. They started their operations in the 1980's when they killed then Northern Police District Chief Tomas Caringal. Since then they have killed more than a dozen high-ranking officers, including bemedalled police captain Eduardo Mediavillo.

American military men were also not spared. Two years ago, the ABB ambushed Colonel James Roe, one of the experts of the LIC or low intensity conflict. The LIC is a plan designed by the CIA to counter insurgency operations in developing countries like the Philippines. Colonel Roe was shot while his car was on its way to [word indistinct] Night Compound. He died on the spot.

[Unidentified rebel] *The charges against this person include illegal recruiting, swindling....* [sound fades out]

[Unidentified narrator] This afternoon, Jay and his team are once again preparing for another assignment. Their target: an illegal recruiter in Ermita, whose name he refused to divulge to us.

[Jay] *It is not fear that grips you when you recognize the gravity of this case, rather it is outrage. For us, these kinds of people do not deserve to live.*

[Unidentified narrator] But Jay said things are not as hastily done as they seem. There are certain standard operating procedures which they have to follow. Step one requires an extensive intelligence research about the target; their main source, of course, is the complainant.

[Jay] *We answer to the masses, and the masses themselves tell us what is going on in their community.*

[Unidentified narrator] *How can you make sure that what the people are saying is true, not exaggerated?*

[Jay] *We have our own intelligence machinery which verifies and evaluates the authenticity of these reports.*

[Unidentified narrator] Following the research phase is surveillance carried out by another team.

[Jay] *We need a plan which lays out a map of the location and identifies and describes the target as well as the type*

of vehicle he uses and at what time he uses this vehicle. After gathering this information, we look at the place, and then we formulate our plan.

In planning, a number of considerations must be made. It really depends on the case, there are simple and difficult targets....

[Unidentified narrator, interrupting] Like who?

[Jay] Officials, high-ranking officials.

[Unidentified narrator] Military officials?

[Jay] *We need to consider the kind of vehicle that we need. We need sophisticated equipment. We need vehicles that are very fast.*

[Unidentified narrator] Finally, preparations for the actual operation. Here, even the choice of guns is crucial. Jay says that this could make or break them.

[Jay] *There are targets on whom long [guns] are used, then there are those on whom short [guns] are enough. What I mean is if the target is simple, one does not need to use a long [gun]. It is difficult to carry these things. Shorter guns are easier to hide, plus most of us are used to using pistols in our operations.*

[Unidentified narrator] But on 23 May 1987, the Sparrows realized that they needed more than pistols to carry out a major plan. The target was Philippine Constabulary Colonel Reynaldo Dinio, one of the high-ranking officers involved in the counterinsurgency campaign of the government. Months before he was killed, Dinio was informed he was included in the ABB's hit list.

[Mrs. Dinio] *He was told that he was included—what do you call those things?—their military list? We never received any death threats; however, both of us knew of this. Even General Aguirre kept telling me: Lida every Wednesday, change your schedule. My husband said that it did not matter. For him, it was enough that he did his duty.*

[Unidentified narrator] In the end, Dinio paid the price for his stubbornness. On his way to work that Wednesday morning, a van opened fire at Dinio's car, killing all but Dinio instantly. Killed were his two military escorts, and his daughter, who at the last minute hitched a ride with her father. Ten commuters were also seriously injured when stray bullets hit a passenger bus. Colonel Dinio made it to the hospital, but he died a few minutes later.

The ABB refuses to confirm or deny their involvement in the Dinio ambush. In an interview with the Probe Team last Monday, Serio Romero, overall head of the ABB, evaded the issue.

What was your rationale for ambushing Colonel Dinio?

[Serio Romero] *We cannot claim [responsibility] for it.*

[Unidentified narrator] *So, you have no comment on this?*

[Romero] *We have no comment on this.*

[Unidentified narrator] *But the ABB admits to certain setbacks. In 1987, they established a record of five killings every 10 hours. The public got shocked and began to see the ABB not as an ally but as a dangerously trigger-happy group of urban terrorists.*

[Romero] *The launching of the partisan warfare was untimely because the core government was still new, everyone was still euphoric, and the expectations of the people were still high. Second, the people, especially the middle forces, were taken aback because the comprehensive development of partisan warfare and organization was relatively new. The media, particularly, had an adverse reaction to this. So, the image that was projected at that time was that were killing indiscriminately. But as I told you, before we carry out an operation, we have already conducted the process of decisionmaking. So, there is no indiscriminate killing.*

[Unidentified narrator] *The ABB says that the negative reactions come mainly from the middle class.*

[Romero] *We conducted an honest-to-goodness investigation with the basic masses, the communities, the factories, and the members of the lower strata of society and they did not have any complaints. When we ask them if what we are doing is wrong, they tell us to ask the rich. [sentence as heard] As far as they are concerned, what we are doing is okay, especially since they are the ones who recommend to the ABB prospective targets.*

[Unidentified narrator] *During integration sessions, the ABB almost always ends up recruiting new members.*

Jojo was an active labor leader in a Paranaque factory when he decided to go underground. Life inside the group was difficult, he said. More so for someone like him who is used to living comfortably.

[Jojo] *There are times when you have to sleep on wet soil. This is just to show the masses that you are one with them in their struggle. This happened at one time in a certain area in Tondo. When we first started to integrate ourselves [into the community], we could really smell how bad it was there. It was there that I first tasted tap food. Tap food are those leftovers that you get from Jollibee [a local hamburger chain] which you dust before eating.*

[Unidentified narrator] *Jojo's work is more political than military. He leads various discussions with the other partisans. This afternoon, they talk about the failure of the 11 May elections.*

[Jojo] *They only want to enrich themselves. To grow rich and oppress the people.*

[Romero] *The crisis continues to worsen. So, there are no assurances that this next administration would either be different or liberal, especially since Ramos is an former*

military man, his background will have a great influence in his decisionmaking process and in the formulation of his policies.

[Unidentified narrator] *So, you think the counterinsurgency operation will intensify?*

[Romero] *Yes, it will worsen.*

[Unidentified narrator] *But some analysts disagree. Alex Magno, University of the Philippines political science professor, says that no matter how bad the political and economic situation is, people still reject the idea of armed struggle.*

[Alex Magno] *What is happening is that people are reacting very strongly to a deteriorating situation, but their reaction is not always political. Their reaction could be escapist. Or, among those who act politically, the reaction is often channeled through several options.*

[Unidentified narrator] *So it is not always a gain for the left that the situation here is...*

[Magno, interrupting] *Every other option appears to have gained in the last two years except the left. Especially in the light of what has happened in eastern Europe.*

[Unidentified narrator] *The ABB, however, insists the fall of communism in eastern Europe did not affect them adversely. But, with the new development like the 11 May election, where even the legal left participated, the ABB said that they are willing to take a back seat.*

[Romero] *We recognized this and the National Center has acknowledged that the main form of struggle here in the National Capital Region [NCR] is political in nature. So, in the event that partisan warfare enters the picture, it is merely secondary or supplementary. This means that partisan warfare cannot supersede the development or advancement of the mass movement. Definitely, if mass movement is on the ebb, we will not push for partisan warfare. [sentence as heard] We are also trying to avoid a military struggle here in the NCR. We still recognize the need for a political struggle.*

[Magno] *I think the bottom line there is that terror is never a form of explanation.*

[Romero] *We will only be happy as terrorists if we are able to terrorize the ruling class, along with the Armed Forces.*

[Unidentified narrator] *During the 1990 National Strike, the ABB allegedly took part by burning five passenger buses. Immediately, public opinion on the ABB was at an all time low. The killings that followed did not help improve their image.*

Amidst the party's organizational setbacks, many believe that not unless social and economic conditions of the people improve, support for groups like the ABB will not be hard to get.

Do you ever get tired of having to live this life, always hiding and never having to go home to your family regularly? This revolution of which you speak seems so far away.

[Jay] *Not really. As they say, if you love your country, you will never experience fatigue, especially if you see the people starving and suffering. They are our inspiration in our work.*

Thailand

Anan Panyarachun Interviewed on Appointment

BK1106050592 Bangkok NAE0 NA in Thai
11 Jun 92 p 14

[Interview with newly appointed Prime Minister Anan Panyarachun by unidentified correspondents on 10 June at Anan's home in Bangkok, appearing under the caption: "Anan Panyarachun, the 20th Prime Minister for Four Months of Rehabilitation"]

[Text] [Correspondent] What do you think about being the 20th prime minister?

[Anan] It is another accident in my life.

[Correspondent] When did you learn about it?

[Anan] Dr. Athit Urairat, speaker of the House of Representatives, telephoned me at my office at about 1730. He told me he was at a dead end after trying everything to secure the name of a prime minister to present to His Majesty the King for appointment. One choice was acceptable to most people but it was not in keeping with the rules, whereas another choice which followed the rules did not garner the general support of the people. Now that there is an urgent need to solve national problems and achieve reconciliation and unity among all sectors of the nation, Dr. Athit wanted to propose me for a royal appointment as prime minister so that I could form an interim government whose main task, in my understanding, is to arrange for a general election.

[Correspondent] Does that mean, as prime minister, you will dissolve the parliament?

[Anan] The House will be dissolved as a matter of course. It will take about two or three weeks because I first have to study the procedures outlined in the Constitution—which was amended this morning—in order to see what my government can do, what we have the power to carry out. However, what we do must be in line with the parliamentary system and with the Constitution. My government will only have the status of an interim government.

[Correspondent] How long do you think your government will be in office?

[Anan] I think it will be in office for about four months.

[Correspondent] Are you going to form a cabinet of ministers?

[Anan] Yes. I haven't contacted anyone. I will do so tomorrow and I hope it will take five or six days to finish.

[Correspondent] Which of the political parties, or all of them, will be contacted to form the government?

[Anan] There will be no politicians or anyone related to politics in this government. It will be a government free from political ambition, a government whose duty is to arrange for a free and fair election.

[Correspondent] What are you going to do about the economy which has suffered a serious setback?

[Anan] It is not only the economy that has suffered a setback; it is also the morale of the people. There is an urgent need to create a sense of compromise among all interest groups in our society. The Thai people are now living in suspicion, fear, and anxiety. It is my responsibility to restore the morale of the Thai people. Once our morale is restored, I believe we will regain our conscience because the Thai people are basically reasonable people. We may have lost our conscience because we were embroiled in anger and hatred.

Well, how to restore our morale? First, we must try to bring the people back to their conscience. In doing so, I will apply the guideline given by His Majesty the King—to settle all confrontations through peaceful means. I will apply the advice given by His Majesty as a guideline for my administration in order to restore unity to Thai society, to make it possible for the Thai people to sit and talk in order to settle their common problems.

[Correspondent] You were in charge of holding the previous election and, as a result, those politicians got into the House. What do you think about that, and what are you going to do this time?

[Anan] I told you many times during my tenure in the previous government that it was impossible to expect a hundred percent result for whatever we do. Yet we must try to improve the system, and we have tried. We must develop a system by which the good politicians, and not the corrupt ones, are elected. We must see that politicians who uphold national interests are elected, but not those upholding personal interests above all. This is the responsibility of everyone, the government, the mass media, and organizations or movements. We must join in the effort to improve our system. I cannot achieve this goal by myself. It is impossible to expect my government to achieve that. I kept saying during my last tenure as prime minister that the role of the people is vital in order to achieve a genuine and stable democratic system. The people must play a role, either through screening or making decisions. The time has come now after demanding democracy for 60 years. The recent violence caused us an immense loss both in lives and property. Thai society cannot afford to go through such an ordeal once again. Therefore, I call on all sides now to have a

conscience and to turn toward each other. We have numerous problems in our nation. As a member of society, I want to see it prosper. With our society marching ahead, I hope we will understand our problems better and can solve them much easier.

[Correspondent] Will the investigation committee set up by the previous government remain valid in your government?

[Anan] Let me study this first. I have not followed the matter closely.

[Correspondent] Because you want the two sides to turn toward each other, won't the role of the investigation committee lead to a confrontation?

[Anan] I will let the people know whatever steps are to be taken. I believe in the principle of transparency. I know and I believe that the people are entitled to information; they must know the facts and have correct information. Anyway, there are also cases that are sensitive and require a unique approach, such as through negotiations or discrete discussions. In that case, I would have to apologize to the public that I cannot reveal anything because I still do not know whether the mission will be successful.

[Correspondent] Everyone is concerned about who will control the Interior and Defense Ministries. Can you tell us what qualities or principles the persons to be named to the two ministries must have?

[Anan] I can only repeat what I said before—my cabinet will comprise only persons with no political affiliation, either in the past, at present, or in the near future. I must take into account that, once it is announced, my cabinet will be accepted by the people in general. The ministers must be persons who command public trust, who are impartial and honest. Third, I will appoint people to respective ministries only if they can command respect in those agencies, otherwise there could be problems later on and no results may be obtained for work as we hope.

[Correspondent] Is it possible that the old cabinet will be reappointed?

[Anan] It is possible.

[Correspondent] Do you have worries now that you have been named prime minister for the second time around amid the present crisis?

[Anan] Yes, I do have worries. Yet, I am fortunate—I have discussed it with my wife, whom everyone knows is not in good health, and with my daughters. I told them I must take the job because of the current crisis in the country. I told them I would have to go back to the same work for another four months. I am supposed to travel abroad next week.

[Correspondent] Will you appoint a neutral body to monitor the elections again as last time?

[Anan] I will have to study first whether there are methods to make the elections fair and transparent. I don't know what methods should be used. We must study this first. Yet, there is one thing I can assure you, that is, I believe in the freedom of thought and information for the people and mass media. My government will have no restriction on that.

[Correspondent] Will the House of Representatives be dissolved this month?

[Anan] I need more time to study that—about the election law, preparations for the election, and the political party act. I have still had no opportunity to consult with those involved in the process of dissolving the House. Please give me some more time.

[Correspondent] What will you do if the country needs you for more than four months?

[Anan] Now we have the rule that everyone wanted. The four constitutional amendments were finally approved by the National Assembly this morning in accordance with the wishes of the people. We have thus adopted a rule in line with the democratic system. As a Thai I must respect that rule. According to it, the prime minister must be an elected member of the House of Representatives. Now concerning myself, I kept repeating to you that I never thought about coming back because I never wanted to be a prime minister.

[Correspondent] The previous government functioned with the NPKC [National Peacekeeping Council] as its advisers. Will there be advisers again this time, or are you going to work independently as prime minister?

[Anan] I have always worked independently.

[Correspondent] Anyway, you were given advice by the NPKC.

[Anan] I had no problem with that.

[Correspondent] Are you going to invite Deputy Prime Minister Michai [Ruchuphan] into your new cabinet?

[Anan] May I remind you that I only learned about being appointed prime minister at 1730, and I have not had time to think about forming a government. I need some time.

[Correspondent] Are you sure your administration will not come under pressure from the military?

[Anan] I still have not formed a government yet.

[Correspondent] The military used to play an important role in politics.

[Anan] I have never felt that I was under pressure from the military.

[Correspondent] Are you making foreign visits this time? What are you going to do to correct the country's image internationally?

[Anan] I don't think I will make foreign trips this time because my term is short. For most of the time, the government will have to tackle parliamentary affairs, holding an election, rebuilding the morale of the people, restoring the national economy, solving social problems, and several other domestic problems.

[Correspondent] What will be your first task after taking office?

[Anan] I have not yet assumed the duty, constitutionally speaking. I have to select cabinet ministers. They will take an oath of duty before His Majesty first. My proper function will not begin until then.

[Correspondent] What will be the first thing you do tomorrow?

[Anan] I must form a government.

[Correspondent] How long it will take you?

[Anan] Five to six days.

[Correspondent] How many ministers will there be in your cabinet?

[Anan] Not more than 35.

Athit Explains Reasons for Anan Nomination

*BK1006135692 Bangkok Army Television Channel 5
in Thai 1302 GMT 10 Jun 92*

[Text] This evening at Chitlatda Palace His Majesty the King graciously granted an audience to Athit Urairat, speaker of the House of Representatives. The house speaker submitted for royal approval the name of former prime minister Anan Panyarachun as the 20th prime minister.

Justifying the nomination of Anan Panyarachun, the house speaker informed His Majesty the King that the country is now in a grave crisis amid confrontations among different groups and organizations. The appointment of the prime minister is an important factor that could lead to violent confrontations that could damage the country. In his capacity as the house speaker, he has been trying to persuade all parties to reconcile with each other while delaying the nomination of the prime minister. However, the situation has not yet shown any sign of improvement. After thorough consideration, the house speaker has deemed it appropriate to seek royal approval for the appointment of Anan Panyarachun as prime minister.

Athit says he did this to return the sovereign power to the people and allow Anan Panyarachun to exert his capabilities within a short period of time to revive and restore the country and achieve stability through peaceful means so that the country will gain credibility with the international community.

Athit Comments Further

*BK1006144692 Bangkok Army Television Channel 9
in Thai 1340 GMT 10 Jun 92*

[Interview with House Speaker Athit Urairat by unidentified correspondents on the appointment of Anan Panyarachun as the new prime minister on 10 June—recorded, monitored in progress]

[Text] [Unidentified reporter] Who gave you the advice?

[Athit] As I said before, I listened to everyone. There might not be any precedent. However, I do not think I am of any significance. We are loyal to our colleagues and institutions. But that loyalty must not exceed the loyalty to the country.

[Unidentified reporter] How long did it take you [words indistinct]?

[Athit] I did not have to do it. The secretary general did it. You can ask Khun Anan.

[Unidentified reporter] When did you decide to select Anan for the premiership?

[Athit] I was always thinking about the best way out.

[Unidentified reporter] When did you inform [words indistinct]?

[Athit] They were informed a moment ago. I telephoned Sombun and Banhan about the premier's appointment. They understand well what should be done to relieve the burden on all of us. Everyone has to sacrifice. If we kept on moving in the previous direction, we would all be in difficulties. In fact, this alternative will bring a good result. After the election, we will be able to see the path. We will have to return the sovereign power to the people.

[Unidentified report] Will the appointment of the non-elected prime minister run counter to the Constitution?

[Athit] Not yet. Because the Constitution has not yet become effective. The new government will not be a permanent one. It will remain in office for a period to revive the country's economy and credibility in the eyes of the international community. Secondly, Anan is a truly neutral person. His appointment will not give advantages or disadvantages to any party. If we do not take any corrective action, we will not be able to avoid confusion. As a result, we will have to dissolve the house. The formation of a government by the opposition will also lead to confrontation and eventually the house dissolution. This depends on which side is acting as the caretaker government during the lack of the House of Representatives. This is the best way to have a good election and to correct the election law.

[Unidentified reporter] Will it be a...

[Athit, interrupting] It will be a caretaker government.

[Unidentified reporter] Does it mean that the house will be dissolved after the Constitution...?

[Athit, interrupting] After the promulgation of the Constitution, the government of Prime Minister Anan Panyarachun will have to go. It will serve as a caretaker government.

[Unidentified reporter] Will the house then be dissolved?

[Athit] Probably.

[Unidentified reporter] [question indistinct]

[Athit] We should let the prime minister explain this matter. Give him time to form his cabinet. He will probably inform the public soon.

[Unidentified reporter] When did you inform Prime Minister Anan about the his appointment?

[Athit] I have already informed him.

[Unidentified reporter] Do you keep regular contacts with him?

[Athit] No, I don't.

[Unidentified reporter] And about the cabinet....

[Athit] I do not know. The prime minister has to handle this issue.

[Unidentified reporter] Can you predict that the situation will be improved after the election?

[Athit] We believe that it will be a democracy in a purer form as our fraternal people are more politically conscious. We have learned valuable lessons.

Sombun 'Relieved' Over Anan Appointment

*BK1106020592 Bangkok THE NATION in English
11 Jun 92 pp A1, A2*

[Text] "I'm relieved," declared Sombun Rahong with a forced smile after a stunning royal command yesterday dashed his hopes of becoming Thailand's 20th prime minister. So were sizeable numbers of critics pro-democracy groups, business people and the Thai public.

Sombun might really feel relieved. But an atmosphere of embarrassment prevailed at his residence where everything had been set up for an appointment ceremony that would never materialize.

To add salt to the wounds, reporters waiting at the Chat Thai leader's house for what was expected to be the royal appointment of Sombun as premier, cheered in jubilation when His Majesty the King's command named another person to the top executive post.

"I'm happy. I can laugh now," Sombun said of Anan Panyarachun's appointment as interim prime minister.

He and other senior Chat Thai members had been all smiles during the day, with the party leader himself confirming he would be appointed prime minister in the evening. Chat Thai members turned up in official white dress uniforms at his house in the afternoon for the celebration. Some well-wishers brought flowers.

"We must have confidence to solve the country's problems because many groups of people have entrusted us with the job," Chat Thai Secretary-General Banhan Sinlapa-acha said on his arrival. The merriment waned about 7 PM when reports spread that there might be a "big surprise". Party leaders were seen bunched in hush-hush conversations.

House Speaker Athit Urairat confirmed the party's worst fears when he telephoned Sombun about 7.10 PM. Sombun, who looked very serious during the conversation, was overheard saying: "I see. So there has been a change? Now I know what to tell reporters."

After that he put Banhan on the line.

Reporters inside the house received confirmation of Anan's appointment about 7.20 PM. Most clapped their hands and shouted in joy, ignoring the owner of the residence.

"I'm throwing a party tonight," announced a senior journalist.

Sombun, clad in white for what he hoped would be a joyous ceremony changed into normal clothes after talking to Athit. He bit his lip while watching the official announcement of Anan's appointment on TV at 7.30 PM.

"I don't feel that I've lost face. Politically speaking, I agree (with Anan's appointment)," he told reporters. "Over the past few days when I was tipped to become prime minister, I was not happy at all. I'm relieved now."

Sombun said the Chat Thai Party was willing to cooperate with Anan in setting up an interim government.

He declined to answer questions linking his failure to become premier to his party's tainted image resulting from last month's bloody crackdown on the pro-democracy movement.

"I don't know. You have to ask other coalition leaders," Sombun said of suggestions that Chat Thai and four other parties in the ousted Suchinda Khraprayun administration must share responsibility for the bloodbath.

Sombun was also vague about his political future, saying he would not run in the next election but refusing to say he would wash his hands of politics.

He managed to maintain his composure while reporters peppered him with sometimes belligerent questions. Asked if he had learned a political lesson, Sombun said: "You know it."

One reporter asked whether he would visit Supreme Commander ACM [Air Chief Marshal] Kaset Rochanain, with whom he is known to have close links.

"No," Sombun said flatly.

Banhan refused to talk to reporters. "No comment. No comment," he repeated.

Chat Thai deputy leader Sano Thianthong took off his official white shirt and borrowed a T-shirt from Sombun.

"You asked if we've lost face? Nothing like this has ever happened in the world," Sano told reporters.

King's 'Dramatic Intervention' Ends Crisis

*BK1006140392 Hong Kong AFP in English 1353 GMT
10 Jun 92*

[By Erskine McCullough]

[Text] Bangkok, June 10 (AFP)—Thailand's constitutional monarch, King Phumiphon Adunyadet, made a dramatic intervention Wednesday night to end the country's political crisis by naming Anan Panyarachun as Prime Minister.

According to sources, the King rejected the nomination of Sombun Rahong, put forward by a six-party pro-military parliamentary coalition expected to make up the next government.

Instead he stunned everyone by naming Anan, one of Thailand's most internationally respected figures and the interim prime minister between March 1991 and April 1992.

Political analysts, academics, diplomats, and the business community were caught completely unawares by the move.

But first reactions were immediately favourable, with restaurants reporting diners greeted the news by ordering champagne.

"A brilliant move. In one fell swoop the King has defused the political crisis that threatened to spill over into more bloodshed in the streets," said one political analyst.

"The stock market will soar when it opens on Thursday morning," said a broker.

The naming of the non-elected Anan came only hours after parliament voted for constitutional changes, including that the premier must be an elected MP.

The amendments have yet to be formally signed by the king, although he is known to support them.

"Anan's appointment is legal under the current Constitution. The changes have not yet been formally signed into law," said an analyst.

It was unclear whether the naming of 59-year-old Anan would lead to an immediate dissolution of parliament and a new general election, and despite the apparent euphoria there were fears over how the military would react.

The military have been under severe criticism since troops killed scores of people when they fired on pro-democracy demonstrations last month.

Although the military made Anan interim Prime Minister after they overthrew the government of Chatchai Chunhawan in last year's bloodless coup, there was tension between the junta and Anan.

Despite being a military appointee, Anan separated himself from the junta, making enemies amongst some of the senior generals.

Junta head and former Supreme Commander Sunthon Khongsomphong complained at the time that Anan never listened to what he said. Anan also refused to give in to demands for a higher military budget.

Wednesday's appointment of Anan is seen by analysts as the second major blow to military plans to run the country through political parties loyal to them.

When former armed forces chief Suchinda Khraprayun took over as prime minister of a five-party pro-military coalition government formed after the March general elections, tens of thousands of pro-democracy supporters took to the streets.

The naming of the non-elected Suchinda was seen as little more than a military-inspired plot to rule the country through a military dictatorship.

After the slayings of the demonstrators late last month, Suchinda was forced to resign and go into self-imposed seclusion.

Suchinda's ousting led to days of political infighting that looked certain to end Wednesday with the naming of Sombun Rahong, leader of the Chat Thai Party, to head a six-party pro-military coalition government with 195 of the 360 seats in parliament.

Even Sombun, a former air chief marshal who is accused by his critics as being little more than a puppet for the military, was convinced he was going to be named premier.

Late in the afternoon he began preparing his house for a celebration party after his name was formally put forward to the king for acceptance.

"Nobody saw Anan coming. Everything looked set for the pro-military parties to run the country. Now everything has changed. If the military leadership did anything stupid like trying to stage a coup they would be destroyed. Their best bet would be to take their money and leave the country," said one diplomat.

Political Leaders, Coalitions React to Appointment

Politicians Express Opinions

*BK1106100792 Bangkok Thai Color Television
Channel 3 in Thai 0905 GMT 11 Jun 92*

[Text] Anuwat Watthaphongsiri, deputy leader of the Samakkhi Tham Party, announced that he will resign from the house to protest the action taken by the house speaker. He expressed his disagreement with the decision made by House Speaker Athit Urairat, saying that the nomination of an unelected prime minister is against principles and tradition, creates confusion in the country, and runs counter to the people's desire. He said that he will resign from the house to protest such an action.

[Begin Anuwat recording] To put it simply, if the constitution is first promulgated, the Anan government will be terminated because the constitution stipulates that the prime minister must come from an election. If the house is dissolved first, the [newly amended] constitution will be ineffective. One more thing I do not understand is why the house speaker did not listen to the voice of either the majority or the minority. The prime minister's nomination is supported only by one person—Dr. Athit. How then will parliament function? Parliament still exists. Just consider this: after the prime minister is appointed, he will have to form his cabinet, be sworn in, and then present a policy statement to the parliament before the government can administer the country's affairs. Who will be responsible if something happens during this period? Suppose the 395 members of the parliament resign, how can the government run the country? According to the constitution, it cannot work at all. [end recording]

The deputy leader of the Samakkhi Tham Party also criticized Athit Urairat both for his disregard for the party's resolution and majority opinion and for his attempt to be neutral. Consultations will be held to decide whether Athit should be expelled from the party or not.

Meanwhile, Uthai Phimchaichon, secretary general of the Solidarity Party, said that he both agreed and disagreed with the decision made by Athit Urairat. He agreed with Athit's decision because it can restore peace and order in the country, and he disagreed with it because Athit has chosen an unelected person for the premiership. He noted that Athit should resort to parliamentary mechanisms to solve the problem.

Next, Chatphak Siriwat, secretary general of the Ratsadon Party, stressed that the dissolution of the House of Representatives is merely a way to prolong the problem, not a solution. He said he was worried about what rule will be used after the general election because at present there is no standard guideline. Since the decision was made solely by an individual, the house speaker, such action is regarded as political murder.

[Begin Chaiphak recording] Naturally, the loser will accuse its opponent of using money [to buy votes]. I do not see how the problem will be solved. [end recording]

Chaiphak Siriwat also disclosed that political parties will meet this afternoon to map out measures against the action taken by the house speaker. Regarding the retirement of General Mana Rattanakoset, leader of the Ratsadon Party, Chaiphak said the leader of the party has informed him of his retirement and has assigned him the job of continuing the party's political activities. The party is scheduled to hold a congress in the next 20 days.

Pro-Military Groups 'Caught Off-Guard'

*BK1106015392 Bangkok THE NATION in English
11 Jun 92 p A3*

[Text] Several leaders of the pro-military coalition were caught off-guard yesterday by the appointment of Anan Panyarachun rather than Chat Thai Party leader Sombun Rahong as prime minister.

Until the last minute before announcement was made on TV about 7.30 pm, the coalition leaders said they were sure that Sombun would be given the post.

Samakkhi Tham Party leader Narong Wongwan said House Speaker Athit Urairat would nominate Sombun for the post. He based his statement on the agreement by the pro-military coalition of six parties with a total of 195 MPs.

The leader of the biggest party had said he did not expect that there would be untoward incidents following the appointment of Sombun as prime minister.

Social Action Party (SAP) leader Montri Phongphanit reaffirmed that his party would support Sombun as prime minister.

"Nothing will change (from the coalition's agreement)," Montri said. The SAP leader declined to comment on growing public opposition to Sombun and his coalition's attempt to form a new government.

Chat Thai chief adviser Praman Adireksan said he was sure that Sombun would be appointed prime minister.

Buntheng Thongsawat, a Samakkhi Tham adviser, said he believed that the House speaker would nominate Sombun to the post because the Chat Thai leader was the choice of most MPs. Buntheng said he expected that most MPs would make their way back to the House if it was dissolved "because most of the people will sell their votes for about Bt500-Bt1,000."

The pro-democracy groups were also caught off-guard by the appointment of Anan. Groups across the country and in the United States were planning to campaign against the coalition and Sombun if he became prime minister. The groups, including one of Thai students in the United States, announced yesterday that they would reject Sombun as prime minister after it initially appeared that Athit would nominate the Chat Thai leader for the post.

Ramkhamhaeng University student activists announced that they planned to organize a mass rally at the campus today to protest against the five-party coalition in the event that Sombun was made prime minister.

About 500 student activists, middle class people and members of several pro-democracy groups, including the Confederation for Democracy, rallied in front of Parliament to denounce the coalition which they held partly responsible for the May 17-20 massacre. Some of the demonstrators later moved to the Democracy Monument where preparations had been made in case their protest against the coalition and Sombun was prolonged.

A group of lecturers and officials of Sinakharinwirot Prasammit University, meanwhile, issued a statement to oppose the formation of a government by the coalition.

The Thai Students' Federation in America announced that students in the United States would garner signatures to protest against Sombun if he was appointed prime minister.

Pro-Democracy Groups Welcome Anan

BK1106014592 Bangkok THE NATION in English
11 Jun 92 p A3

[Text] The surprise appointment of Anan Panyarachun as prime minister was warmly welcomed yesterday by politicians and pro-democracy groups.

Phalang Tham Party acting leader Adm Siri Sirirangsi yesterday said he was surprised but extremely pleased. Siri said House Speaker Athit Urairat should be praised for having nominated Anan. He said he believed "certain figures" had helped Athit in the matter. It was clear that Anan's administration would be an interim body, pending a House dissolution followed by a general election, Siri said.

The Phalang Tham Party would be busy with election preparations and was waiting to see the formation of the interim Anan government, Siri said.

Phalang Tham Secretary-General Chinnawat Sunthonsima said the choice of Anan was a brilliant solution to the political deadlock. He appreciated Athit's nomination of Anan as premier and said he believed that Chat Thai Party leader ACM [Air Chief Marshal] Sombun Rahong, who was the choice as premier of the old government coalition members, also was happy.

Chinnawat said the main task of the Anan administration would not be to dissolve the House but to work for national reconciliation.

Confederation for Democracy member Prathip Ungsongtham Hata said she felt relieved by the choice of Anan as premier because it would prevent further bloodshed. Prathip, known as the "slum angel" for her work among the urban poor, said if Sombun had been appointed premier there would have been more bloodshed.

The Democrat Party yesterday also welcomed Anan's appointment but was non-committal on the possibility of joining his interim government.

"I was preparing to telephone Khun Sombun to congratulate him but had to suddenly switch to Khun Anan," Chuan said.

Parliament Drops Debate on 17-20 May Crackdown

BK1106022792 Bangkok BANGKOK POST in English
11 Jun 92 p 2

[Text] The government-sponsored motion calling for a general debate on the May 17-20 suppression of anti-Suchinda protesters was dropped from the joint sitting of parliament yesterday.

House Speaker Athit Urairat, serving as chairman of the joint sitting of the two Houses ordered the suspension of the motion because Gen Suchinda Khrapayun and his cabinet had already resigned.

The move was protested by New Aspiration Party member Saman Chomputhep who said Gen Suchinda's cabinet and deputies were still acting as the caretaker government, albeit without him, and these people were still answerable to parliament for the incident.

Social Action Party member and acting PM's Office Minister Piyanat Watcharaphon intervened, citing a similar incident in 1980 during the crisis of the Kriangsak Chomanan government.

The member for Si Sa Ket, who came armed with House meeting records, said Gen Kriangsak had been scheduled to be censured in parliament on February 29 but the censure motion was dropped after he announced in the House chamber his decision to resign.

Mr Piyanat said the incident was similar to Gen Suchinda's resignation.

Dr Athit, citing Senate meeting regulations, said a motion could be dropped from the meeting agenda if its sponsor ceased to exist or could not be present to answer questions from the House.

Democrat member for Bangkok Aphisit Wetchachiwa said after the session that the cabinet still existed despite Gen Suchinda's resignation. He said the government should have explained its role in parliament as people were worried what would happen next. He criticised the house speaker for not having used parliament to solve the problems, saying Dr Athit had previously cancelled a House meeting after the May 17-20 bloodshed.

The young MP said it would be difficult for the next government to have stability, regardless of who was prime minister and so a dissolution of parliament was probable some time soon.

Business Community Lauds Interim Premier Anan

*BK1106013192 Bangkok THE NATION in English
11 Jun 92 p A2*

[Excerpts] The business community breathed a sign of relief last night upon hearing of the appointment of Anan Panyarachun as prime minister. Anan, who said his administration will pave the way to a dissolution of the House of Representatives, is a good choice at this juncture, according to several businessmen.

They believed that Anan will be able to help revive the country's image though his tenure will be short. Local and foreign investor confidence should recover from the lows which followed the May unrest and violence.

The immediate impact of having Anan as prime minister will be a strong rebound in share prices, analysts predicted.

They said the Stock Exchange of Thailand index could hit the ceiling and register gains of 50-60 points today. The index closed up marginally at 687.38 yesterday in lacklustre trading on news that Sombun Rahong would be named premier.

Chawalit Thanachanan, chairman of the Industrial Finance Corp of Thailand, said he was surprised to learn that Anan is the new prime minister. "But it was a good surprise. During the past several days, we'd heard only that ACM [Air Chief Marshal] Sombun would be nominated the new prime minister." [passage omitted]

Chawalit said the fundamentals of the Thai economy remain strong although certain sectors like tourism, hotels and aviation have been hard hit by the May violence.

A former governor of the Bank of Thailand, Chawalit stressed that the country's fiscal position is still solid with the fiscal reserve standing at Btl50 billion. In addition, agriculture and industrial outputs have not been affected by the turmoil. As head of an interim government, Anan is unlikely to initiate significant policy changes, he added.

Stock analyst Dr Somchai Pakapaswiwat said Anan will certainly rebuild investor confidence in the Thai economy because of widely-recognized achievements during his tenure as interim prime minister following the Feb 23, 1991 coup.

Somchai said the choice of Anan will also help ease tensions caused by the political deadlock.

Sinwat Worawetwutkun, president of a stock investors association, said Anan is widely accepted by local and foreign investors and his appointment will be a big plus. He added that Anan's appointment at this time is a better solution than dissolving the House now.

Surveyed on Economic Outlook

*BK1106044592 Bangkok BANGKOK POST in English
11 Jun 92 p 15*

[Excerpts] The surprise appointment of Anan Panyarachun as Prime Minister for the second time has brought relief to economists bankers, businessmen and stock analysts.

Responding to reports that Chat Thai Party leader ACM [Air Chief Marshal] Sombun Rahong would be appointed, almost all of them had warned of worsening economic problems if the coalition remained in power.

"I can hardly believe my ears," said Siam Commercial Bank senior executive vice-president Olan Chaiprawat when contacted by BUSINESS POST shortly after the appointment of Mr Anan was announced on television.

"He is the most appropriate person to take the premiership under the present circumstance," he said. "I am extremely delighted. Now, the country's economy will survive."

Dr Olan also said he is very confident that Mr Anan will be able to help the country's economy recover and help restore the kingdom's image which was damaged by last month's bloody events.

He had said earlier while speculation that ACM Sombun would be appointed as prime minister was still strong that if ACM Sombun was appointed as prime minister, his government would run counter to the desires of the public. [passage omitted]

Stock analysts believe that Mr Anan's appointment as the new Prime Minister will definitely boost stock prices in a record rebound this morning.

Stock expert and Thammasat University lecturer Somchai Phakapaswiwat said the immediate effect of Mr Anan's appointment would see the SET index gain 10-30 points this morning. [passage omitted]

CMIC Finance & Securities Co president Suthep Wongworaset shares Dr Somchai's view, saying stocks definitely look positive this morning.

"It's very good (the appointment of Mr Anan). It can definitely ease tensions in the prevailing political situation" he noted.

He added that Mr Anan has proven his ability to locals as well as foreigners. The World Bank's meeting in Bangkok recently was his showcase to foreigners, he said.

In the medium to long term, he said it depends on how long the Anan Government can exist. It must be long enough to help rehabilitate the economy.

Thai Retailers' Association president Somchai Sarawat said he is delighted that Mr Anan has been appointed as Prime Minister again.

"I regard his appointment as a victory for the people and businessmen. It will improve the public's morale," he said. He said he hopes the new Government will speedily revive the country's economy and restore foreign investors' confidence.

Mr Somchai also praised House Speaker Athit Urairat for his decision to nominate Mr Anan as the new Prime Minister: "He is very brave in doing so."

Thai Gem and Jewellery Traders' Association president Phonsit Si-orathaikun said Mr Anan was the best choice for the premiership as he is acceptable to the public.

"Khun Anan is perfect," he said. He noted that during the past month, most businessmen had suspended their businesses as there was no solution in sight to break the political impasse.

Mr Phonsit said the new Anan Administration will be an interim government and Mr Anan will dissolve Parliament for a fresh general election.

As for earlier reactions to reports that ACM Sombun would be appointed as new prime minister, Thailand Development Research Institute [TDRI] president Amma Sayamwala said that if ACM Sombun had become the new prime minister, it would prolong the political conflict and be a minus for the economy.

"The risk would increase," agreed Dr Chalongphop Susangkorakan, TDRI chief macro-economic forecaster.

According to his estimates, the political crisis has already knocked back the country's economic growth by half a percentage point to 6.8 percent this year because of the decline in tourism alone, without taking into account the likely drop in investment.

Dr Amma said if ACM Sombun had been appointed premier, it would have been a sign of Thailand's political immaturity.

"If we sweep (the bloodshed) under the carpet, that shows we are not mature enough to face up to what people in our country have done," he said. "We won't be able to call on world capital markets and world tourists to participate in our society. No one will respect us."

Dr Amma said his comments were not based on ACM Sombun as an individual, but on the appointment's implication—that those responsible for the bloodshed were not being held accountable.

Dr Chalongphop, meanwhile, said that economic growth of 6-7 percent this year is still possible. He estimates that the troubles so far will result in a 10 percent decline in tourism, instead of the 16 percent growth he originally forecast for the year. This would mean a 30-billion-baht drop in tourism earnings, which would translate into a 0.5 percent reduction in the overall economic growth rate.

His original forecast for growth in the Gross Domestic Product was 7.3 percent. The drop in tourism as a result of the crisis so far would leave GDP growth at 6.8 percent, according to his calculations. A decline in investment would knock GDP growth back further.

Business for Democracy Club vice-president Phichian Amnatworaprasoet said he was really delighted by Mr Anan's appointment.

Indicating that moral virtues and ethics still exist in Thai society and insincere groups are not allowed to rule the nation, Mr Phichian said he now has more confidence in the future of Thailand. He said he believes the economy will pick up in the next few months, during the interim Government of Mr Anan. He said his two Japanese customers, who are major investors in Thailand, showed great delight when they heard the announcement of Mr Anan's appointment. Both expressed confidence in the Thai economy and pledged to invest more here.

"I admired and appreciated the brave decision of Dr Athit Urairat, the House Speaker for holding out despite coming under pressure from all sides," added Mr Phichian.

Effect of Nomination Viewed

BK1106021192 Bangkok THE NATION in English
11 Jun 92 p B1

["Comment" by Watchara Charunsantikun of THE NATION Business Desk]

[Text] The general feeling changed, abruptly last night with the announcement naming Anan Panyarachun as the new prime minister.

Until 7.30 PM, the public was deeply worried by the fact that Sombun Rahong would be named prime minister heading a new government or the six coalition parties. This setup would not have created confidence among both Thai and foreign investors in Thailand's long-term investment prospects.

While the six parties stood firmly on their commitments to set up a new national administration with extreme tolerance to opposition and accusations by the Thai people and the international investment sectors, the country's chances of healing its economic wounds from the May 17-20 crisis looked dim.

Pleas from some leaders of the governing coalition factions that the people give them six months initially to prove their administrative competency also raised a question of whether the returning government only expected to rule the country in a short period.

Economists view that the now aborted government's policy will reflect what the government has in mind for the timeframe of its existence.

They explained that if that government knows it may not last long, its economic policy will aim towards producing

short-term impact and that will be seen through the increase in the annual expenditure budget now set at Bt550 billion for the 1993 fiscal year.

Injecting more money into the market by the Bank of Thailand may help stimulate spending during this time, but this measure will be effective only for a short period of time and may worsen the country's economy in the future as all those expenses aim mainly to boost consumption and not encourage investment.

Looking from the political point of view, the ultimate objective of the now aborted government of Sombun is rather for coalition parties to compete for the top post in the interior ministry than taking care of the country's economy. Unlike the Anan administration, the new government's economic management policy cannot be clearly seen.

With little hope left for the government to help sustain and support the economic performance, the three powerful organizations—the Federation of Thai Industries, the Board of Trade and the Thai Bankers Association—will emerge as the white knights to light the path on Thailand's road to the prosperous economy.

Three questions widely asked earlier were how long the Sombun government would last, whether that government had a clear-cut policy in administering the country and whether it had the competence to run the country.

Answers mostly given for the first two questions were "not sure" and for the last one, "no".

The surprise appointment of Anan has shocked the public. However, that feeling is certainly mixed with delight and happiness. No more despair with the move of the six parties which had earlier joined in with Gen Suchinda Khraprayun.

The return of Anan is not only viewed as a political relief but also a big help in brightening up the economic scene although his government may only turn out to be an interim administration.

Media Reaction to Anan Appointment Noted

'Relief' Expressed

*BK1106012592 Bangkok THE NATION in English
11 Jun 92 p A6*

[Editorial: "A great relief for a battered nation"]

[Text] Anan Panyarachun used to say he became prime minister in March 1991 by accident. The leaders of the Feb 23 coup badly needed someone well-respected to repair the damaged image of the country. They ended up choosing him because of a distant acquaintance between him and Gen Suchinda Khraprayun.

Another accident happened to Anan yesterday. Out of the blue he was reappointed prime minister.

Anan's appointment this time was not just a pleasant surprise. It was a miracle, one that brings great relief to a battered nation.

Just a few hours earlier Parliament had passed the four amendments to make the Constitution of 1991 more democratic. The first of them requires that a prime minister must be chosen only from MPs in the House of Representatives. It was thought that this amendment would end any possibility of bringing in a neutral caretaker premier to dissolve the House and hold a fresh general election. People were getting resigned to the fact that ACM [Air Chief Marshal] Sombun Rahong would be nominated and started preparing for the worst under a new government headed by the same old Suchinda coalition.

However, the amendments need His Majesty's signature and publication in the Royal Gazette to take effect. This enabled House Speaker Athit Urairat to nominate Anan instead of Sombun, catching Sombun and the party bosses in the pro-Suchinda coalition completely off guard.

Athit yesterday indicated that the amendments would be presented to the King in about one month's time. This gives Prime Minister Anan some breathing room to organize a new Cabinet and restore normalcy. After the amendments come into effect, Anan will be automatically disqualified from holding the premiership. But he can still dissolve the House and call a new election, and more importantly see to it that the election campaign is clean and fair.

Given this scenario, Premier Anan need not appoint any politicians to his Cabinet. He is free to pick the best and brightest from all quarters to restore the people's confidence in our ability to survive and prosper as a civilized nation. No one should be so unkind as to decline his request for assistance at this difficult time.

Premier Anan faces much graver responsibilities now than he did in his first premiership. This time the country is not only suffering politically and economically, but also emotionally.

More and more people are disenchanted with the existing electoral and parliamentary systems, which have time and again produced irresponsible politicians and parties. This disillusion could spread nationwide, making people lose faith in democracy, if left unaddressed. A clean and fair general election could dispel this sense of hopelessness and powerlessness among citizens.

A permanent, independent election commission with legal standing to monitor elections and shine the light on cases of vote-buying, made up of highly-respected and well-known figures, is now a must.

Premier Anan and his team did a fabulous job of putting the Thai economy on the right track during their 12-month tenure. This time however, his caretaker administration is expected to have only three months in office—not enough to make any significant changes to the national economic policy or structure.

This is where three major associations in the private sector—the Federation of Thai Industries, the Board of Trade of Thailand and the Thai Bankers' Association—could step forward to offer a helping hand. They have been calling for a new election and this is a golden opportunity for them to play a very constructive role in restoring international and domestic confidence in the Thai economy.

Hopefully Premier Anan will have time to address the numerous human rights questions arising from the May bloodshed. More than 500 people remain missing. How to deal with those responsible for the massacre of the demonstrators is a very pressing question.

Finally, the disinformation and propaganda on the government's and the military's TV networks during the May crisis makes it imperative for Premier Anan to resume the unfinished task of securing freedom of information in Thailand. It is time that the state monopoly over the electronic media be broken so that privately owned independent radio and TV stations can offer people alternative sources of information.

There are so many things else that we would like to see the Anan administration do. But we must be realistic and not lose sight of reality.

We know Premier Anan and his team will give us their best effort.

Therefore it is only fair that all of us give our unqualified support to his caretaker government.

Together the people and the Anan government can make another miracle happen: the election of responsible politicians to the House so that for once, a truly democratic government accountable to the people can take office in Thailand.

'Best' Candidate Chosen

*BK1106023792 Bangkok BANGKOK POST in English
11 Jun 92 p 4*

[Editorial: "Anan—the Best of All Possible Choices"]

[Text] His Majesty the King's appointment of former Prime Minister Anan Panyarachun to become the new premier last night is a pleasant surprise on a grand scale. Just hours before the official announcement was made on national television, the mood among a broad spectrum of people throughout Thailand, and especially in Bangkok, was one of anxiety and despair.

The expected nomination of Chat Thai Party leader ACM [Air Chief Marshal] Sombun Rahong was going

against a groundswell of opposition from various political, academic and business quarters. Now the public mood has turned full circle—to one of relief and jubilation—after Mr Anan's confirmation to the new premiership was made public. The official Palace announcement to the effect that His Majesty had decided that Mr Anan was the person deserving his trust to be prime minister will go down in history as a crucial decision that helped restore confidence and rescue the country from its current state of malaise and painful predicaments.

Not surprisingly, Mr Anan's appointment came as a big shock to the pro-military parties whose leaders had shown up in full force earlier in the evening at ACM Sombun's residence in anticipation of a major celebration for the latter's appointment that in the end failed to come through. There are probably a lot of people who would pour scorn on these parties for their intransigence on the formation of the new government. But pouring scorn on the defeated is hardly a constructive action in times of crisis when the country needs national unity and reconciliation more than anything else. These parties must remember that they had their chance of forming the government back in April—when they defied the public outcry against the choice of Gen Suchinda Khrapayun—and they blew it badly. In the process they helped plunge the country into a stagnant political backwater. So they have no right to complain now.

Mr Anan served the country well in the one-year transitional period following the February 1991 coup. Indeed he and his ministers together constituted possibly the best cabinet ever assembled in modern Thai history. Since the country was running into a political dead end—in the face of the stubborn pro-military parties that refused to budge despite the clamour of the pro-democracy forces and with the opposition parties unable to put together an alternative government—there appears to be no other non-partisan person more suited than Mr Anan to tide the country over the present crisis. Yes, this is yet another transitional period—more severe than the previous one in light of the depressed public morale and shattered economy following the brutal military crackdown on pro-democracy demonstrators last month—before the country goes to the polls again in about four months as Mr Anan indicated.

The reinstated prime minister's task this time will be tougher than before. The goodwill and prestige inherent in Mr Anan's impeccable record already constitute an important confidence booster. Therefore, the new government's task of reviving business confidence and rehabilitating the shattered economy should not be too difficult. Potentially more problematic though is the other equally pressing task of restoring public morale, faith in authority and confidence which received a crushing blow when the full extent of the military brutalities last month were realised.

Military excesses in the past were absolved by amnesties initiated and passed by those responsible for the excesses. But today's generation is more assertive and

less inclined to look the other way when barbarities are committed. Public morale has suffered as a result of the bloodshed and damage done to the country's good name and will only be restored when the handful of senior officers responsible for the killings of May 17-20 are brought to justice. For the sake of national rehabilitation, they can at least start to demonstrate their responsibility and sense of honour by resigning their posts. Mr Anan is respected as a man of principle; it is hoped that the new government under his leadership will see to it that principles and logic prevail.

There is no doubt that the new government under Mr Anan's leadership will ensure that the forthcoming elections will be as honest and fair as possible. But to help his government accomplish this and other crucial tasks, it is the duty of all sectors of Thai society to lend their full cooperation. Only through the cooperation from all parties concerned can the process of national rehabilitation proceed smoothly and speedily.

Vietnam

Effect of U.S. Embargo on Foreign Business Viewed

*BK0306133292 Hanoi Voice of Vietnam in English
1000 GMT 3 Jun 92*

[Text] The United States has still prevented some countries from doing business with Vietnam. The French Paper L'HUMANITE in late May said that more than [figure indistinct] years now, the U.S. has prevented European countries from providing financial aid for Vietnam. Now let's have a look at the activities in this field between Vietnam and other countries in face of the U.S. policy.

In fact, the U.S. policy forms great obstacles for the relations between Vietnam and other countries. However, as the French paper L'HUMANITE stated, this policy has failed to prevent a number of countries, including the U.S. close allies, from establishing trade relations with Vietnam. During his European tour, Vietnamese Foreign Minister Nguyen Manh Cam made the first stop in France for three days. The Vietnamese diplomat was received by French leaders who later agreed to increase the total aid to Vietnam to \$350 million this year. The aid agreement was signed directly between Vietnamese Foreign Minister Nguyen Manh Cam and Prime Minister Beregovoy, not by the French foreign minister as usual.

For its part, Radio French International on May 29 described this as a manifestation of the development of bilateral relationship despite the U.S. trade embargo against Vietnam.

Meanwhile, a number of nations in Southeast Asia are boosting their trade relations with Vietnam. Malaysia has decided to invest \$100 million in oil and gas industry in Vietnam. In 1991, the trade turnovers between Vietnam and Singapore and Vietnam and Japan, close U.S. allies, reached \$900 million and one billion dollars respectively.

It is obvious that more countries are entering business with Vietnam without the U.S. green light.

Oil Exploration With Japanese Firms Welcomed

*BK1106141692 Hanoi Voice of Vietnam Network
in Vietnamese 0015 GMT 8 Jun 92*

[Report by Tieu Lien]

[Summary From Poor Reception] "The recent bid offered by the Vietnam Oil and Gas Corporation [PETROVIETNAM] to invite international oil and gas corporations to engage in oil exploration in Vietnam's continental shelf was won by the Japanese union of companies AEDC [expansion unknown] and Teikoku Oil. The Vietnamese state has granted permission for the signing of a production-sharing contract between this Japanese union of companies and PETROVIETNAM.

"This is the 14th joint ventures that PETROVIETNAM has signed with foreign corporations, and it is the first with Japanese oil and gas companies. AEDC and Teikoku Oil companies are a union with great financial and technological potential. AEDC is the leading Japanese company engaging in oil and gas business abroad. The company was established 30 years ago and has engaged in oil business at almost all oilfields in the world including those in Kuwait, Saudi Arabia, Malaysia, and America. The Teikoku Oil company was established 50 years ago and engaged mostly in business at home. Recently it has expanded operation to other countries such as Kenya, Egypt, Indonesia, Papua New Guinea, Australia, and so forth.

"Under the contract signed with Vietnam, AEDC and Teikoku Oil companies will make a 100 percent investment in the exploration at its own risk during a four-year period. If oil and gas is found, it will be shared by both sides at the mutually agreed upon rates. The Japanese companies planned to start exploration work in August in an urgent fashion so that the first drill will be made by early 1993."

At the contract signing ceremony in Hanoi, Mr. Kenjiro Yamauchi, president of AEDC company expressed delight at his company being selected to carry out the exploration. He said [in Japanese and fading into Vietnamese translation] "It is an honor for my company, the first Japanese company that signs contract with Vietnam. I am convinced that this cooperation lays a good foundation for further Vietnam-Japan cooperation. Japan, also a country in Asia, shares similar cultural features with Vietnam, thus being able to cooperate and develop relations with this country in all fields. The signing of this contract today will serve as a base for further expanding cooperation between the two countries."

Dear friends, our government welcomes cooperation on oil and gas exploration and exploitation with the Japanese companies. It contends that this marks new progress in the relations between the two countries. On behalf of the Vietnamese Government, Mr. Tran Xuan Gia, head of the Council of Ministers Office said:

[Begin Tran Xuan Gia recording] "The signing of this contract is very important while its effective implementation is far more significant. We believe that with the capability and experiences of our Japanese friends, the exploration work will be a success. For its part, the Vietnamese Government will create favorable conditions for you to do your work successfully. I hope that through our efforts, we will be able find some oil and gas deposits in Vietnam's continental shelf." [end recording]

Chinese Population, Health Delegation Visits

BK1006152792 Hanoi VNA in English 1424 GMT 10 Jun 92

[Text] Hanoi VNA June 10—A delegation of the education, science, culture and public health committee under the National People's Congress of China led by Wang Wei, member of the Standing Committee of the Congress, and vice chairman of the committee, arrived here Tuesday for a working visit at the invitation of the public health and social affairs commission of the National Assembly.

This morning, the Chinese guests held talks with a Vietnamese delegation led by Mrs. Nguyen Thi Than, head of the host commission.

The two sides compared notes on the public health, social affairs, population activities and family planning in their countries, the two sides also discussed questions concerning the activities of the commission, and touched on possibilities of (exchanges) of experience and of cooperation between them.

Germany To Assist With Workers' Repatriation

BK1106081492 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 10 Jun 92

[Text] German Foreign Minister Klaus Kinkel and his Vietnamese counterpart Nguyen Manh Cam yesterday, 9 June, signed an agreement on the repatriation of Vietnamese workers from the former East Germany, according to sources from Bonn.

The German Government has decided to spend 10 million marks, approximately \$6.3 million, on a program to ensure that the returnees have some extra money to stabilize their livelihood and employment.

Ambassador Meets Czechoslovak Foreign Minister

BK1006153592 Hanoi VNA in English 1427 GMT 10 Jun 92

[Text] Hanoi VNA June 10—The minister for foreign affairs of the Federal Republic of Czech and Slovakia, Jiri Dienstbier, on June 8 received Vietnamese Ambassador Le Tho.

Foreign minister Dienstbier reaffirmed that the traditional relations between the two countries will be further developed, he said that the two countries' cooperation in labour has benefited both of them and that Czechoslovakia's help

to train tens of thousands of Vietnamese has created favourable conditions for promoting the cultural and economic relations between the two countries, he added that his country would create more favourable conditions for the Vietnamese to study and work in Czechoslovakia on the basis of humanitarianism, respect for human rights and in conformity with the country's law.

Rio Summit Delegation Affirms Environmental Goals

BK1006144592 Hanoi Voice of Vietnam in English 1000 GMT 10 Jun 92

[Text] The head of the Vietnamese Government delegation to the Earth Summit on environment and development affirmed that the Vietnamese Government will do all it can for the environmental development of the country. Speaking at the summit, Vice Chairman of the Council of Ministers Nguyen Khanh noted that the Rio draft declaration and Agenda 21 demonstrate the concern, aspirations, and objectives of mankind for a healthy, diversified, and harmonious life.

Mr. Nguyen Khanh pointed out that at present developing countries are struggling against their hard life and 1,500 billion dollar debt. Meanwhile, the developed countries have emitted three-fourths of the volume of carbon dioxide. They should adopt a clear-cut attitude toward assisting the developing countries in term of finance and transfer of technology. He also welcomed the positive attitude of goodwill of some developed countries toward providing financial aid to less developed nations.

Mr. Nguyen Khanh emphasized Vietnam's determination to protect the environment, control the population growth rate, promote afforestation, and carry out prevention of floods and storms. Vietnam is in need of international assistance for environmental protection in addition to that needed to help it exploit its potential.

UNTAC's Akashi 'Grateful' for Assistance

BK1106073592 Hanoi VNA in English 0714 GMT 11 Jun 92

[Text] Hanoi VNA June 11—In the recent 11th meeting of the Supreme National Council (SNC) of Cambodia in Phnom Penh, Mr. Yasushi Akashi, special representative of the UN secretary general for Cambodia and head of the United Nations Transitional Authority in Cambodia (UNTAC), presented UNTAC's viewpoint on the issues relating to the second phase of the ceasefire agreement.

According to the Paris peace agreement on Cambodia, the second phase will start from June 13, 1992 during which 70 percent of the armed forces of all Cambodian factions will be demobilized.

Mr. Yasushi Akashi said that the most important factor in the multi-form cooperation between SNC and UNTAC before the second phase is to strictly observe all articles in the Paris agreement relating to Sections IV and V of the agreement and Appendix 2 on troop withdrawals, ceasefire and related measures.

The UNTAC head said that he took note of the declarations made by the Vietnamese ambassador to Cambodia at an earlier SNC meeting that Vietnamese troops had withdrawn from Cambodia by September 1989 and none had ever been sent back. Mr. Akashi said that he was grateful to the Vietnamese Government which had provided him with detailed reports on the withdrawals.

UNTAC has already formed mobile teams to make inquiries into any would-be violations of the agreement, Mr. Akashi said.

He asked concerned parties to back their statements on the presence of foreign troops in Cambodia with written information, to send specialists to accompany UNTAC in inquiry tours, to limit their statements to foreign military troops and to leave out foreign civilians, there seemed to have been a confusion of foreign military force and foreign nationals in Cambodia. Mr. Akashi said adding that foreign civilians are present in all countries to take part in useful work. But, in a not a few instances, they fall victims to racism. UNTAC which represents all countries in the world, would be upset by any schemes of any Cambodian factions to stir up the feelings of the population against foreigners now residing in Cambodia, he said.

Khmer Rouge's Violation Viewed

*BK0306144192 Hanoi Voice of Vietnam in English
1000 GMT 2 Jun 92*

[Station commentary]

[Text] The second phase of the ceasefire in Cambodia will come into effect from 8 AM on June 13. This is the decisive stage for the UN effort for peace in the country.

Early, all the Cambodian factions committed themselves to strictly implement the truce. But as the second phase is approaching, the Khmer Rouge is posing a main obstacle, preventing the implementation of the process. Our radio has this to say concerning this event.

The head of the UN Transition Authority in Cambodia, Mr. Akashi became fully aware of the Khmer Rouge's violations of the truce when he and his group were stopped and not allowed to enter Pailin in Western Cambodia by the Khmer Rouge.

AFP in this connection commented that it is ridiculous that while the UN group was checked, another car carrying Thai businessmen was still heading to Pailin. The unit of Dutch marines who came to join the UN peace efforts was also not allowed to call at Pailin. Mr. Akashi considered this a serious act in violation of the Paris Agreement on Cambodia.

For its part, Radio France International also held that Khmer Rouge's bellicosity poses a main obstacle to the peace development in Cambodia. It is also warned that it is not favorable for UNTAC to carry out its activities in the country in the second phase of the truce.

International Groups Provide Help With Healthcare

*BK1006143392 Hanoi VNA in English 1433 GMT
10 Jun 92*

[Text] Hanoi VNA June 10—In implementation of an aid program of the EC, the charity organization "Medecins Sans Frontiere" has delivered 621,000 USD [U.S. dollars] to the health service in the North Vietnam province of Quang Ninh for the upgrading of five hospitals and 67 medical stations to care for voluntary repatriates from Hong Kong and other local people.

So far the local medical stations have received six million VND [SRV dong] worth of medical equipment and four million VND worth of medicines.

The association to help Vietnam War Invalids (VNAH) and the Vietnam Veterans of America in a recent visit here have handed over 48,000 USD and a quantity of medical equipment to the Can Tho orthopaedic and rehabilitation center in the southern province of Hau Giang.

VNAH is a non-governmental organization set up by overseas Vietnamese and American friends to help war victims in Vietnam.

Phan Van Khai Attends 10 Jun Red Cross Meeting

*BK1106084992 Hanoi Voice of Vietnam Network
in Vietnamese 1100 GMT 10 Jun 92*

[Text] A meeting was held in Hanoi this morning between representatives of international donor Red Cross societies and the Vietnam Red Cross Society.

Attending were representatives of donor Red Cross societies from the United States, Austria, Finland, South Korea, Denmark, the Netherlands, Malaysia, Britain, Sweden, Switzerland, and Japan. Also present were representatives of the International Red Cross and Red Crescent Association, the International Red Cross Committee, and such organizations as UNDP and UNICEF in Hanoi.

Council of Ministers Vice Chairman Phan Van Khai read a message of greeting to the participants.

This was the first International Red Cross meeting in Vietnam with the aim of strengthening solidarity and cooperation in humanitarian activities for the happiness of everybody.

The meeting will reevaluate the results of the call for cooperation and development in 1992 between the International Red Cross, Red Crescent Association, and the Vietnam Red Cross Society; study the situation on the spot; and examine the cooperation and development plans of the Vietnam Red Cross Society for 1993, and programs for such activities as the control of natural disasters, social relief, health care, and assistance to people of ethnic minorities groups facing difficulties.

Vo Chi Cong Receives Letter From UAE Leader

BK1106090692 Hanoi Voice of Vietnam in English
1000 GMT 10 Jun 92

[Text] State Council President Vo Chi Cong has received a letter from President Zayid Bin-Sultan Al Nuhayyan of the United Arab Emirates appreciating Vietnam's desire to develop friendship and cooperation between the two countries, as expressed in President Vo Chi Cong's letter to him dated 26 April. The letter read:

We highly value your important initiative and express our admiration for your country's incredible achievements. We welcome all opportunities to redevelop the friendship and cooperation between our two countries, as well as the establishment of full diplomatic relations between Vietnam and the United Arab Emirates for the good of our two peoples.

Vo Chi Cong Inspects Work in Thanh Hoa

BK1106102792 Hanoi Voice of Vietnam Network
in Vietnamese 1100 GMT 10 Jun 92

[Text] Comrade Vo Chi Cong, advisor to the party Central Committee, chairman of the Council of State, and president of the Central Electoral Council, paid a working visit to Thanh Hoa Province from 5 to 8 June.

Chairman Vo Chi Cong visited a number of good production establishments in the province, namely, the Thieu Vuong Cooperative in Dong Son District, a beer company, and a pharmaceutical enterprise. On this occasion, he made an on-the-spot inspection of the preparations for the National Assembly elections by the sixth electoral unit.

Based on the local comrade leaders' reports and on the results of his on-the-spot inspection tour, Chairman Vo Chi Cong commended Thanh Hoa Province for its achievements and its contributing many important suggestions on how to make full use of, and how to implement, the central government's standpoints and resolutions, especially Political Bureau Resolution 10 on renovating the agricultural management mechanism.

Chairman Vo Chi Cong devoted much of his time to assessing the local situation and contributed many suggestions on how to guide everyone in making preparations for the ninth National Assembly elections. He praised Thanh Hoa for having done a good job in this connection. At the same time, he reminded everyone of the need to do an even better job from now until election day. It is necessary to take precautions against typhoons and floods, which may occur before or on the election day. In this way, one can positively cope with unexpected circumstances and guarantee conditions to ensure the elections are crowned with success.

Given their tight work schedules, party committee echelons and administrative bodies should provide close guidance so as to guarantee uninterrupted production operations while at the same time making adequate preparations for the ninth National Assembly elections.

Vo Van Kiet Visits 103d Military Hospital

BK1006095592 Hanoi Voice of Vietnam Network
in Vietnamese 1430 GMT 8 Jun 92

[Text] On the morning of 8 June, Chairman of the Council of Ministers Vo Van Kiet, called on the Vietnam steering committee for kidney transplants in order to see the scientists involved in kidney transplants and the patients at the 103d military hospital.

Accompanying the chairman were Professor Pham Song, health minister and Tran Tphuong Xa, chief officer of the Council of Ministers. Major General and Ph.D. Professor Le The Trung, deputy head of the steering committee and chairman of the council of kidney transplants, large numbers of professors and doctors of the steering committee, and experts at the 103d military hospital welcomed Chairman Vo Van Kiet and reported their achievements since the establishment of the hospital.

After a period of active preparations up to April 1992, the council of kidney transplants was established, gathering more than 70 scientists of all faculties of nephrology, internal medicine, immunization, surgery, anesthesia, recovery, and so forth to make technical preparations. At the same time, various material and technological facilities were readied for kidney transplants.

The 103d military hospital was selected as the place where technical facilities were to be readied along with other careful preparations. At 0940 on 4 June, the first kidney transplant was carried out. The receiver was Vu Dinh Doan, a soldier, native of Ninh Binh, who suffered from chronic nephritis and 20 times had had hemodialysis because of artificial kidneys, causing him many side effects, such as high blood pressure and heart weakness. The kidney donor is Vu Manh Toan, 28 years old, Doan's blood brother.

So far, the health conditions of both receiver and donor have been observed as good. The transplanted kidney has started to excrete urine.

Chairman Vo Van Kiet visited both the brothers Doan and Toan. Through the partition glass panel of the surgery room, he was pleased to see that Doan was in good health and talked with him through the intercommunication phone. The chairman carefully inquired about Doan's health and cordially told Doan: I congratulate you, comrade, which means that I congratulate the Vietnamese doctors and professors for their first success in kidney transplant. I wish you quick recovery. You have done a very good deed which surpass all limits of family sentiments and shows the sublime humanity of the Vietnamese people.

Then the chairman went on to see the second kidney transplant, which took place at 0400 this morning. The kidney receiver is Bui Tan Do, 57 years of age, a native of Nam Ha Province, who had undergone hemodialysis many times. The donor is Mrs. Bui Thi Phu, 45 years of age, Do's aunt. Professors and Doctors Nguyen Buu Trieu, To That Bach, Do Hong Son, Le Sy Toan, Nguyen

Dinh Cu, Nguyen Hong Ha, Nguyen Duc Thien alias Tuong, Nguyen Xuan Luong and Nguyen Van Sang participated in the transplant operation.

Professor Chue Shue Lee and Mrs. (Mesandoz) provided technical support and medicine. The medical institute, the 103d military hospital and the Viet-Duc hospital also cooperated in this surgical operation.

Chairman Vo Van Kiet also visited some installations in the 103d military hospital. He commended the hospital for satisfactorily combining oriental and occidental medicine in its therapeutics, for having installed a highly technical center to serve patients and a medical center to provide medical assistance to various groups of the population, and for having combined the treatment process with scientific training and research. He particularly welcomed the first success in kidney transplant in our country, which was carried out in the hospital.

Vo Van Kiet Addresses Afforestation Conference

BK1006141192 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 9 Jun 92

[Report by Station correspondent Dinh Khai on a 6 June conference held in Vinh Phu Province to discuss "planting botanical parks and those forests to be used as raw materials for paper pulp"—read by announcer]

[Summary] "The Office of the Council of Ministers, in coordination with the Ministry of Forestry and the Vinh Phu Provincial People's Committee, held a conference at the headquarters of the Vinh Phu Union of Paper Pulp Supply Enterprises on 6 June 1992 to discuss planting botanical parks and forests to be used as raw materials for paper pulp."

Attending were the chairmen and vice-chairmen of the People's Committees of Vinh Phu, Yen Bai, Tuyen Quang, Ha Giang, and Bac Thai Provinces; the ministers of finance, forestry, agriculture and food industry, construction, and light industry.

"Council of Ministers Chairman Vo Van Kiet also attended and addressed the conference."

Comrade Tran Xuan Thuy, deputy minister of forestry, briefed the conference on efforts to cover vacant lots and bare hills with greenery and develop the area that has provided raw materials for various paper mills in the Bac Bo midlands over the years.

He said: "Since 1982, localities in the area have planted 160,000 hectares of forests, including 59,000 hectares designed to produce raw materials for paper pulp. They have also planted a total of 345 million scattered trees. Over the past 10 years, the area as a whole has supplied the paper industry with over 1,386,000 cubic meters of timber and 474,000 metric tons of trees from the bamboo family. Since 1987, the Vinh Phu United Paper Mill has ceased to import paper pulp and has instead used locally available raw materials."

In the area, a number of cooperatives and families have received funding from the Vinh Phu United Paper Mill for afforestation under profit-sharing contracts.

Comrade Nguyen Xuan Xuyen, director general of the Vinh Phu United Paper Mill, briefed the conference on afforestation activities in support of the paper mill since 1986.

"Addressing the conference, Council of Ministers Chairman Vo Van Kiet hailed various relevant localities, ministries, and sectors for their efforts to cover vacant lots and bare hills with forests. Over the years, these localities have obtained numerous valuable experiences in covering vacant lots and bare hills with greenery, in preserving and restoring forests, and in arranging settled farming and settled life for ethnic compatriots. Their experiences have helped make various policies of the Council of Ministers more and more practical.

"After this conference, however, localities should continue to draw on experience and to firmly grasp the situation regarding forestry development and the need to cover vacant lots and bare hills with greenery. This must be done if they are to take steps to make capital investments and personnel arrangements and ensure better management.

"The question of forest preservation should receive appropriate attention. Specific steps should be also taken to deal with each particular type of forest. It is necessary to continue to step up the task regarding settled farming and settled life. The sooner this task is carried out, the better forest preservation, restoration, and development will be. Satisfactorily carrying out the task regarding settled farming and settled life also amounts to moving those who have earned their living through forest destruction toward planting, caring for, and preserving forests. Localities should continue to promptly study steps, conditions, and experiences needed for resolving the task regarding settled farming and settled life in a manner compatible with their specific situations.

"Covering vacant lots and bare hills with greenery is a major national program. The Council of Ministers has studied and will continue to carefully study policies and measures aimed at ensuring the satisfactory implementation of this program. Meanwhile, localities should strive to develop their own initiatives. They should create appropriate conditions for the laboring people so they feel safe to hold onto their land for afforestation and can find for themselves an appropriate direction along which they will plant trees of high economic value in order to gradually improve their living standards.

"Council of Ministers Chairman Vo Van Kiet emphatically said: Of course, localities should pay the greatest attention to doing away with the habit of working just for form's sake and should attach special importance to the practical results of the task regarding settled farming and settled life and of the program to cover vacant lots and bare hills with greenery."

"Finally, the chairman of the Council of Ministers urged various ministries and sectors at the central level to—depending on their functions—closely cooperate with the forestry sector in providing supervisory guidance for various state farms, forestry sites, economic organizations, and family households to ensure the successful implementation of the program for afforestation and the use of vacant lots and bare hills for agricultural and forestry production."

Construction of Tobacco Factories Halted

BK1106074592 Hanoi VNA in English 0703 GMT
11 Jun 92

[Text] Hanoi VNA June 11—The government has decided to discourage the expansion of cigarette production by calling a halt in further expansion of the industry, announced the office of the Council of Ministers.

"As cigarettes were not listed among the commodities for top consumption priority and the existing production capacity can already meet domestic demand, construction of new plants and the import of equipment must be stopped", VIETNAM NEWS quoted the announcement as saying.

As part of the reorganization of the trade, any small-scale cigarette enterprises which now operate at a loss and with low quality standards are to be dissolved, the announcement is to be considered on a case by case basis regarding those major profitable plants which are to use more domestically available materials.

As far as joint ventures with foreign partners, the government sees fit to endorse such establishment provided that all products are for export only.

In a move to further discourage cigarette consumption the government would take stringent measures to impose a fixed rate of special consumption tax on all the cigarette plants without any exemption or cut. In addition readjustment would be made regarding taxes levied on imported materials and the export of cigarettes to encourage the use of domestic materials and the export of the finished product.

The government will also work more closely with the Vietnam Union of Cigarette Manufacturers for better coordination of activities among concerned parties.

State Enterprises Transform to Joint Stock Firms

BK1106074192 Hanoi VNA in English 0708 GMT
11 Jun 92

[Text] Hanoi VNA June 11—Chairman of the Council of Ministers Vo Van Kiet on June 8 issued an instruction to transform seven state enterprises into joint-stock companies.

These are the Southern Detergent Factory, the Thong Nhat Match Factory, the Animal Feeds Processing Enterprise, the Long Binh Wood Processing Enterprise, the Hai Hung General Materials Trading Company, the Packaging Production Enterprise and the Tailoring Enterprise. The prime minister also empowered the minister of finance to draw out a list of other enterprises to be transformed into joint-stock companies.

Court Sentences Men for Antiregime 'Propaganda'

BK0306132992 Ho Chi Minh City SAIGON GIAI
PHONG in Vietnamese 15 May 92 p 1

[Text] The people's court of Ho Chi Minh City held a preliminary hearing to sentence Doan Thanh Liem and Nguyen Tri, who were convicted of "conducting propaganda against the socialist regime." The adjudicating board was chaired by Mr. Le Thuc Anh. Lawyer Nguyen Dang Trung defended Doan Thanh Liem.

Doan Thanh Liem was attached to the former puppet administration and some former high-ranking U.S. officials. Following the liberation of the country, Liem disguised himself as "a legal adviser to a foreign company" and took advantage of his contact with foreigners to communicate with reactionaries in exile and receive and keep reactionary documents against the socialist regime. He prepared propaganda documents and psychological warfare themes to oppose the socialist regime and demand that "the party renounce its political monopoly" and "the national assembly dissolve."

To conduct his propaganda, Liem secured the support of Nguyen Tri (alias Truong Hung Thai), who was once confined for rehabilitation because of his reactionary poems. He asked Tri to type documents written by him, using the typewriter bought by Tri with Liem's money. Besides the above-mentioned documents, Liem handed to Tri two English-language documents with anticommunist party and antisocialist regime contents. At the trial, Liem also admitted that he had translated some press articles written by some people in Ho Chi Minh and Vung Tau cities into English and sent them abroad.

The people's court of Ho Chi Minh City sentenced Doan Thanh Liem and Nguyen Tri respectively to 12 and 8 years imprisonment.

Australia**150 Said Executed in Iran After Canberra Attack***BK1106062692 Melbourne Radio Australia in English
0500 GMT 11 Jun 92*

[Text] A magistrate court in the Australian capital, Canberra, has been told that 150 people in Iran were executed as a result of an attack in April on the Iranian Embassy in Canberra. Patina Steropolis reports that two of the 13 people charged in relation to the attack have had all but one charge against them dropped.

[Steropolis] Some of the defendants [passage indistinct] in memory of those they say were executed by authorities in Iran as punishment for an attack on the Canberra [Iranian] Embassy in April this year. Magistrate Some refused an application for a minute silence in memory of those killed.

Meantime, 12 of the 13 charged now face one trespass charge each, the other face about 19 Commonwealth and ACT [Australian Capital Territory] charges. They include causing actual bodily harm, attacking an internationally-protected person, and damaging property. The matter was today adjourned until next week as only eight of the 13 have legal representation.

Fiji**New Government Leaders Meet PRC's Li Peng***BK1106083692 Melbourne Radio Australia in English
0800 GMT 11 Jun 92*

[From the "International Report" program]

[Text] The People's Republic of China has moved quickly to reaffirm its relations with Fiji after the election of Fiji's new government led by Prime Minister Major General Sitiveni Rabuka. Chinese Premier Li Peng made a last-minute decision to stop over in Fiji on his way to the Earth Summit in Rio de Janeiro. South Pacific correspondent, Jemimah Garrett, says the top-level visit comes less than a fortnight after the election of a new government.

[Begin recording] [Garrett] The Chinese premier, Li Peng, had been planning to stop off in Hawaii on his way to Rio. In Honolulu, local supporters of Chinese students who fled their homeland after the Beijing massacre made it clear they would hold protests during the visit. Although the Chinese officials will not comment on the reasons for Mr. Li's last-minute change of plan, the opportunity to meet the new government in Fiji may have been enough to tip the scales.

Last night, 11 Fiji cabinet ministers attended a dinner in Li Peng's honor hosted by Prime Minister Maj. Gen. Sitiveni Rabuka. In his welcoming address, Gen.

Rabuka stressed similarities between the two developing countries and the importance for Fiji of Chinese aid and trade initiatives.

[Rabuka] A number of enterprises which have been set up by entrepreneurs from China, particularly in the garment industry, are already producing good results. We are confident that they will do well in Fiji. We are also pleased to witness the growing trade relations between Fiji and China. Although we do not have any other commodity than sugar at this stage to export to China, we are hopeful that our products will diversify in due course.

[Garrett] For China, Fiji is a crucial South Pacific state. Other than Papua New Guinea, it is the largest of the island nations and it sits at the middle of a region which has seen stiff competition from China's arch rival, Taiwan. After the Beijing massacre, Fiji did not join the world in its condemnation of the Chinese Government's action. Speaking through an interpreter, Li Peng stressed relations with Fiji were based on mutual respect, equality and mutual benefit. General Rabuka, the man who in 1987 staged two military coups in the name of indigenous rights, continued his post-election theme of harmony between Fiji's two main races.

[Rabuka] Although Fiji is a very small country, it is home to many ethnic groups who live here and call this their home. However, like many other countries, we have also had our fair share of troubles and tribulations during the various stages of our development. However, these have been our internal matters and we have concentrated all our efforts [words indistinct] to solving our problems ourselves. In the process we deeply appreciate the understanding, the sympathy, and support that we have received from the PRC in solving our problems ourselves.

[Garrett] After the coups China was quick to offer material assistance and keep silent on the armed ouster of the elected government. Despite his new status as elected prime minister, Gen Rabuka has obviously not forgotten those who stood by him in tougher times. [end recording]

Vanuatu**Investors Worry About Changes To Business Laws***BK0906101292 Hong Kong AFP in English 0855 GMT
9 Jun 92*

[Text] Port Vila, June 9 (AFP)—Changes to Vanuatu's business investment laws prompted concerns here Tuesday that the action could significantly weaken investor confidence in the country.

After two days' of intense debate in parliament, the 20-line amendment was passed into law Monday, substantially altering the Business Licence Act.

Finance Minister Willy Jimmy said during debate last Friday he had received a letter from the Vanuatu Finance Center Association (VFCA) expressing concern about "the wide-reaching implications" of the amendment on future investment.

The letter said the changes would lead to a "very significant weakening of investor confidence in Vanuatu" and a "loss of revenue to the country... in the order of millions of dollars."

The VFCA declined to comment Tuesday on the successful amendment.

The bill gives the finance minister more discretionary powers, including the right to "refuse the issue or renewal of any licence under the Act" and empowers him to "at any time revoke any licence issued under this Act."

The amendment further states that the minister "may not give any reason for the refusal or revocation... and such refusal or revocation shall not be challenged in any court in any proceedings whatever."

During debate, opposition members—including Barak Sope, leader of the Melanesian Progressive Party, Vanuaaku Pati members Donald Kalpokas, Iolu Abbil and Sela Molisa—argued that the bill "goes against the fundamental rights provided by constitution" and that investors "might not feel safe."

Jimmy said in a statement after passage of the amendment that he had "taken note of the concern from the Finance Center members." "However, it is time changes are made to assist (indigenous) ni-Vanuatu in business ventures," he said without elaboration.

Jimmy could not be contacted for further comment.

Business leaders, who asked not to be named, said they feared foreign investors might be deterred from settling in Vanuatu, which has tax haven status, and that projects to attract potential investors might be jeopardised.

Finance Minister Reassures Investors

BK1006091292 Hong Kong AFP in English 0648 GMT
10 Jul 92

[Text] Port Vila, June 10 (AFP)—Foreign investors have "nothing to worry about" following changes to Vanuatu's business investment laws, Finance Minister Willy Jimmy said here on Wednesday.

"As long as the local business community and new investors wishing to come to Vanuatu (have) genuine intentions to comply with the laws, they have nothing to worry about," Jimmy said in an interview with AFP.

He sought to reassure foreign investors after an amendment to the Business Licence Act was passed by parliament on Monday.

The bill gives the finance minister more discretionary powers, including the right to "refuse the issue or renewal of any licence under the Act" and empowers him to "at any time revoke any licence issued under this Act."

The Vanuatu Finance Center Association (VFCA) wrote to Jimmy last week saying the change would lead to a "very significant weakening of the investor confidence in Vanuatu," which has status as a tax haven.

Jimmy said a seven-member business licence committee, comprising government officials and representatives of the private sector, would "screen the process and advise the government before any decision is taken."

The minister said the amendment was necessary to "make sure that competition and business are properly controlled."

"There have been practises in the past when local people have been cheated and have not been given a fair chance in the business sector," he said.

During debate in parliament, opposition members argued that the bill "goes against the fundamental rights provided by the constitution" and that investors "might not feel safe."

Jimmy said he did not believe the amendment was unconstitutional, but added that anyone who thought so could challenge it in the Supreme Court.

He stated that the minister's power to revoke a business licence was only "a last resort".

"I don't know why investors should not feel comfortable—since independence, the Immigration Act provides the immigration minister with the power to remove any foreigner from Vanuatu without any reason, and this shall not be challenged in any court in any proceedings whatever," he said.

But the legal sanctity of such action was thrown into doubt after two New Zealanders challenged deportation orders against them in the Supreme Court in 1990 and won.

